

<i>SERFF Tracking Number:</i>	<i>AWLP-127129861</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Anthem Blue Cross Life and Health Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2011-00736</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>H15G Group Health - Hospital/Surgical/Medical Sub-TOI: Expense</i>		<i>H15G.003 Small Group Only</i>
<i>Product Name:</i>	<i>07012011 CalChoice Rate Filing</i>		
<i>Project Name/Number:</i>	<i>CaliforniaChoice 7/1/11 Filing/</i>		

Filing at a Glance

Company: Anthem Blue Cross Life and Health Insurance Company

Product Name: 07012011 CalChoice Rate Filing
 SERFF Tr Num: AWLP-127129861 State: California

TOI: H15G Group Health - Hospital/Surgical/Medical Expense	SERFF Status: Assigned	State Tr Num: PF-2011-00736
Sub-TOI: H15G.003 Small Group Only	Co Tr Num:	State Status:
Filing Type: Rate		Reviewer(s): Angela Jang, Marsha Seeley, Sai-on Sam, Ali Zaker-Shahrak, Wayne Thomas, Marina Zen, Karl Whitmarsh
	Authors: Michael Cole, Wei Chen	Disposition Date:
	Date Submitted: 04/15/2011	Disposition Status:
Implementation Date Requested: 07/01/2011		Implementation Date:

General Information

Project Name: CaliforniaChoice 7/1/11 Filing	Status of Filing in Domicile:
Project Number:	Date Approved in Domicile:
Requested Filing Mode: File & Use	Domicile Status Comments: n/a
Explanation for Combination/Other:	Market Type: Group
Submission Type: New Submission	Group Market Size: Small
Group Market Type: Employer	Overall Rate Impact:
Filing Status Changed: 04/18/2011	
State Status Changed:	Deemer Date:
Created By: Wei Chen	Submitted By: Wei Chen
Corresponding Filing Tracking Number:	
PPACA: Not PPACA-Related	
PPACA Notes: null	
Filing Description:	
Filing of rates for CaliforniaChoice Small Group products with a requested effective date of 7/1/2011. The rates are being submitted as supporting documents for this rate filing.	

SERFF Tracking Number: AWLP-127129861 State: California
Filing Company: Anthem Blue Cross Life and Health Insurance State Tracking Number: PF-2011-00736
Company
Company Tracking Number:
TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
Expense
Product Name: 07012011 CalChoice Rate Filing
Project Name/Number: CaliforniaChoice 7/1/11 Filing/

Company and Contact

Filing Contact Information

Michael Cole, Michael.Cole@wellpoint.com
2100 Corporate Center Drive 805-713-7285 [Phone]
CANQ-02K 805-713-8263 [FAX]
Newbury Park, CA 91320

Filing Company Information

Anthem Blue Cross Life and Health Insurance CoCode: 62825 State of Domicile: California
Company
21555 Oxnard Street Group Code: 671 Company Type: Life, Accident,
Health
Woodland Hills, CA 91367 Group Name: WellPoint Inc Group State ID Number:
(916) 447-9280 ext. [Phone] FEIN Number: 95-4331852

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Anthem Blue Cross Life and Health Insurance Company	\$0.00		

SERFF Tracking Number: AWLP-127129861 State: California
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Company
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TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
Expense
Product Name: 07012011 CalChoice Rate Filing
Project Name/Number: CaliforniaChoice 7/1/11 Filing/

Correspondence Summary

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Note regarding Rate Review Detail	Note To Reviewer	Wei Chen	04/15/2011	04/15/2011

SERFF Tracking Number: AWLP-127129861 State: California
Filing Company: Anthem Blue Cross Life and Health Insurance State Tracking Number: PF-2011-00736
Company
Company Tracking Number:
TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
Expense
Product Name: 07012011 CalChoice Rate Filing
Project Name/Number: CaliforniaChoice 7/1/11 Filing/

Note To Reviewer

Created By:

Wei Chen on 04/15/2011 09:11 PM

Last Edited By:

Wei Chen

Submitted On:

04/15/2011 10:19 PM

Subject:

Note regarding Rate Review Detail

Comments:

Please note that under the "Prior Rate" section, the provided data correspond to the experience period considered in the rate development that is less than 12 months. Please refer to the independent actuarial certification for additional details.

SERFF Tracking Number:	AWLP-127129861	State:	California
Filing Company:	Anthem Blue Cross Life and Health Insurance Company	State Tracking Number:	PF-2011-00736
Company Tracking Number:			
TOI:	H15G Group Health - Hospital/Surgical/Medical Expense	Sub-TOI:	H15G.003 Small Group Only
Product Name:	07012011 CalChoice Rate Filing		
Project Name/Number:	CaliforniaChoice 7/1/11 Filing/		

Rate Information

Rate data applies to filing.

Filing Method:

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

%

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
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Anthem Blue Cross Life and Health Insurance Company	Increase	%	%				%	%
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Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		4,914			3,540			
Policy Holders:		2,664			1,610			

SERFF Tracking Number:	AWLP-127129861	State:	California
Filing Company:	Anthem Blue Cross Life and Health Insurance Company	State Tracking Number:	PF-2011-00736
Company Tracking Number:			
TOI:	H15G Group Health - Hospital/Surgical/Medical Expense	Sub-TOI:	H15G.003 Small Group Only
Product Name:	07012011 CalChoice Rate Filing		
Project Name/Number:	CaliforniaChoice 7/1/11 Filing/		

Rate Review Details

COMPANY:

Company Name:	Anthem Blue Cross Life and Health Insurance Company
HHS Issuer Id:	48962
Product Names:	PPO 750, PPO 1000, PPO 3000, PPO 4000, HSA 1800 (80/50), HSA 2500 (80/50)
Trend Factors:	

FORMS:

New Policy Forms:	
Affected Forms:	
Other Affected Forms:	03P7, 03P8, 03P9, 03PA, 03PB, 03PC

REQUESTED RATE CHANGE

INFORMATION:

Change Period:	Semi-annual
Member Months:	40,806
Benefit Change:	Increase
Percent Change Requested:	Min: 0.0 Max: 0.078 Avg: 0.049

PRIOR RATE:

Total Earned Premium:	16,018,912.00
Total Incurred Claims:	13,662,354.00
Annual \$:	Min: 311.63 Max: 621.13 Avg: 392.56

REQUESTED RATE:

Projected Earned Premium:	56,951,630.00
Projected Incurred Claims:	54,137,437.00
Annual \$:	Min: 287.19 Max: 668.91 Avg: 442.78

SERFF Tracking Number: AWLP-127129861 State: California

Filing Company: Anthem Blue Cross Life and Health Insurance State Tracking Number: PF-2011-00736

Company Tracking Number: Company

TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only

Expense

Product Name: 07012011 CalChoice Rate Filing

Project Name/Number: CaliforniaChoice 7/1/11 Filing/

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
	CaliforniaChoice SG 07-01-2011 Rate Detail		New		CALCHOICE PPO_Rates_7_1_2011.pdf

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PP0 750 (03P7)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	734.76	1,988.91	1,596.20	2,457.65
	30-39	895.24	2,195.81	1,777.78	2,841.94
	40-49	1,241.48	2,542.11	1,921.34	3,255.74
	50-54	1,684.87	3,479.54	2,280.29	3,851.12
	55-59	2,094.51	4,328.33	2,664.58	4,721.01
	60-64	2,727.89	5,430.46	3,297.94	5,924.48
	65-99	3,357.11	7,474.26	3,931.41	7,702.28
	65-99 **	1,617.31	5,734.48	2,191.61	5,962.47

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	705.94	1,912.87	1,533.32	2,363.16
	30-39	860.07	2,112.67	1,707.56	2,733.47
	40-49	1,194.52	2,444.71	1,847.68	3,130.82
	50-54	1,620.93	3,344.69	2,192.12	3,702.42
	55-59	2,012.55	4,161.52	2,562.85	4,539.06
	60-64	2,624.58	5,221.73	3,172.71	5,697.29
	65-99	3,226.87	7,187.38	3,780.80	7,406.84
	65-99 **	1,555.59	5,516.11	2,109.53	5,735.59

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	575.84	1,558.67	1,250.67	1,927.20
	30-39	701.32	1,721.74	1,393.09	2,228.39
	40-49	974.26	1,993.02	1,506.69	2,552.59
	50-54	1,321.54	2,727.54	1,786.56	3,019.20
	55-59	1,641.38	3,392.93	2,089.34	3,700.86
	60-64	2,138.87	4,257.99	2,585.85	4,645.27
	65-99	2,631.91	5,860.05	3,083.25	6,038.44
	65-99 **	1,268.64	4,496.78	1,719.98	4,675.15

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	642.76	1,742.18	1,397.15	2,154.89
	30-39	784.82	1,924.85	1,556.09	2,489.82
	40-49	1,089.29	2,226.00	1,684.69	2,855.15
	50-54	1,478.31	3,047.99	1,995.91	3,376.14
	55-59	1,833.56	3,792.22	2,334.21	4,137.29
	60-64	2,391.69	4,759.72	2,892.38	5,192.73
	65-99	2,943.12	6,549.28	3,447.16	6,748.88
	65-99 **	1,417.42	5,023.59	1,921.48	5,223.19

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	706.65	1,915.45	1,535.26	2,367.41
	30-39	860.85	2,116.31	1,711.02	2,736.84
	40-49	1,198.08	2,449.94	1,850.87	3,138.60
	50-54	1,624.94	3,350.26	2,195.22	3,708.94
	55-59	2,015.91	4,171.67	2,568.28	4,548.32
	60-64	2,629.22	5,229.84	3,178.07	5,706.89
	65-99	3,235.48	7,202.67	3,787.85	7,421.52
	65-99 **	1,560.32	5,527.51	2,112.66	5,746.33

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	572.44	1,550.15	1,242.75	1,915.28
	30-39	696.48	1,712.15	1,384.96	2,214.08
	40-49	969.13	1,980.06	1,498.80	2,538.09
	50-54	1,312.92	2,709.65	1,776.26	2,999.87
	55-59	1,629.88	3,373.59	2,077.25	3,678.79
	60-64	2,126.41	4,231.42	2,570.60	4,616.34
	65-99	2,615.61	5,823.99	3,065.53	6,001.96
	65-99 **	1,261.54	4,469.94	1,711.47	4,647.92

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	522.39	1,413.58	1,133.58	1,748.13
	30-39	635.06	1,560.35	1,263.34	2,021.29
	40-49	884.31	1,806.22	1,365.73	2,314.92
	50-54	1,198.42	2,471.96	1,618.40	2,738.33
	55-59	1,488.66	3,076.29	1,894.94	3,356.29
	60-64	1,939.34	3,861.61	2,345.65	4,213.31
	65-99	2,386.64	5,316.16	2,796.32	5,476.60
	65-99 **	1,150.65	4,080.15	1,560.34	4,240.62

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	575.11	1,558.79	1,250.09	1,928.06
	30-39	702.20	1,722.24	1,392.31	2,227.74
	40-49	974.64	1,991.68	1,507.35	2,554.61
	50-54	1,322.69	2,727.15	1,785.81	3,020.76
	55-59	1,640.56	3,393.04	2,088.51	3,701.79
	60-64	2,139.94	4,258.68	2,587.92	4,646.13
	65-99	2,633.32	5,859.88	3,084.32	6,038.48
	65-99 **	1,268.22	4,494.80	1,719.22	4,673.39

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	560.51	1,512.76	1,214.44	1,871.39
	30-39	681.05	1,672.48	1,353.05	2,163.69
	40-49	946.24	1,934.67	1,464.52	2,477.07
	50-54	1,283.73	2,645.84	1,732.76	2,929.09
	55-59	1,591.11	3,293.73	2,028.08	3,592.07
	60-64	2,076.24	4,131.47	2,510.22	4,508.16
	65-99	2,555.45	5,689.45	2,992.38	5,861.22
	65-99 **	1,232.52	4,366.51	1,669.45	4,538.29

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	642.76	1,742.18	1,397.15	2,154.89
	30-39	784.82	1,924.85	1,556.09	2,489.82
	40-49	1,089.29	2,226.00	1,684.69	2,855.15
	50-54	1,478.31	3,047.99	1,995.91	3,376.14
	55-59	1,833.56	3,792.22	2,334.21	4,137.29
	60-64	2,391.69	4,759.72	2,892.38	5,192.73
	65-99	2,943.12	6,549.28	3,447.16	6,748.88
	65-99 **	1,417.42	5,023.59	1,921.48	5,223.19

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PPO 1000 \$40 (03P8)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	497.94	1,352.01	1,083.94	1,669.94
	30-39	609.00	1,493.75	1,206.52	1,930.39
	40-49	842.62	1,727.38	1,306.07	2,213.84
	50-54	1,145.22	2,363.19	1,547.36	2,615.99
	55-59	1,421.02	2,941.53	1,811.64	3,205.82
	60-64	1,853.79	3,688.38	2,240.62	4,025.45
	65-99	2,278.94	5,078.71	2,669.61	5,231.92
	65-99 **	1,099.22	3,899.01	1,489.87	4,052.22

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	475.22	1,287.74	1,033.24	1,591.27
	30-39	579.66	1,423.36	1,150.62	1,841.81
	40-49	805.62	1,646.59	1,245.35	2,108.87
	50-54	1,091.93	2,252.19	1,476.24	2,494.56
	55-59	1,355.51	2,804.87	1,726.89	3,057.82
	60-64	1,768.68	3,516.75	2,137.16	3,838.09
	65-99	2,173.27	4,841.99	2,546.98	4,989.65
	65-99 **	1,047.69	3,716.41	1,421.39	3,864.08

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	390.93	1,060.62	850.52	1,310.08
	30-39	477.86	1,172.01	946.65	1,515.55
	40-49	662.35	1,355.09	1,024.80	1,736.85
	50-54	898.59	1,853.94	1,214.99	2,053.28
	55-59	1,115.84	2,308.84	1,421.47	2,516.32
	60-64	1,455.66	2,895.00	1,758.87	3,159.33
	65-99	1,788.99	3,985.81	2,095.64	4,106.98
	65-99 **	862.32	3,059.15	1,168.99	3,180.32

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	438.52	1,183.74	947.58	1,462.76
	30-39	533.60	1,306.40	1,057.99	1,689.75
	40-49	739.07	1,511.87	1,143.88	1,938.13
	50-54	1,002.80	2,070.04	1,355.48	2,290.79
	55-59	1,245.06	2,576.01	1,585.46	2,809.02
	60-64	1,625.34	3,229.18	1,962.66	3,526.68
	65-99	1,996.38	4,446.64	2,339.87	4,581.56
	65-99 **	962.92	3,413.20	1,306.40	3,548.12

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	481.71	1,301.89	1,044.79	1,607.84
	30-39	585.88	1,438.60	1,161.96	1,861.72
	40-49	813.68	1,663.19	1,259.56	2,131.91
	50-54	1,103.36	2,275.08	1,490.68	2,522.45
	55-59	1,370.24	2,834.89	1,744.55	3,092.02
	60-64	1,786.88	3,554.24	2,161.14	3,879.68
	65-99	2,196.99	4,891.93	2,574.52	5,041.62
	65-99 **	1,061.06	3,756.00	1,438.60	3,905.71

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	390.85	1,056.66	847.87	1,304.89
	30-39	475.11	1,166.78	943.68	1,509.92
	40-49	660.05	1,350.08	1,021.25	1,730.27
	50-54	895.94	1,847.40	1,209.99	2,046.31
	55-59	1,111.27	2,300.27	1,414.99	2,508.19
	60-64	1,449.53	2,884.74	1,753.25	3,148.14
	65-99	1,782.88	3,971.41	2,089.49	4,093.07
	65-99 **	860.18	3,048.71	1,166.76	3,170.36

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	353.64	953.33	765.74	1,177.84
	30-39	430.52	1,054.79	851.84	1,362.29
	40-49	596.60	1,217.75	922.58	1,562.21
	50-54	808.76	1,666.76	1,091.71	1,845.11
	55-59	1,002.54	2,075.80	1,279.29	2,263.36
	60-64	1,310.05	2,604.71	1,580.68	2,841.51
	65-99	1,608.32	3,585.72	1,885.09	3,693.35
	65-99 **	774.94	2,752.34	1,051.72	2,859.99

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	383.45	1,035.33	828.95	1,279.08
	30-39	466.53	1,142.59	925.29	1,477.68
	40-49	646.40	1,321.99	1,000.19	1,694.94
	50-54	876.92	1,810.02	1,185.51	2,003.52
	55-59	1,088.72	2,252.78	1,386.35	2,456.35
	60-64	1,421.07	2,824.27	1,716.39	3,084.05
	65-99	1,746.05	3,888.80	2,046.42	4,007.02
	65-99 **	842.19	2,984.96	1,142.59	3,103.19

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	379.19	1,025.69	823.82	1,268.48
	30-39	461.00	1,132.11	916.60	1,464.89
	40-49	641.07	1,312.15	992.98	1,680.42
	50-54	870.22	1,794.98	1,175.74	1,985.93
	55-59	1,080.26	2,234.19	1,374.89	2,436.05
	60-64	1,407.62	2,801.56	1,702.24	3,058.01
	65-99	1,732.24	3,857.32	2,029.60	3,974.60
	65-99 **	834.74	2,959.82	1,132.11	3,077.11

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	438.52	1,183.74	947.58	1,462.76
	30-39	533.60	1,306.40	1,057.99	1,689.75
	40-49	739.07	1,511.87	1,143.88	1,938.13
	50-54	1,002.80	2,070.04	1,355.48	2,290.79
	55-59	1,245.06	2,576.01	1,585.46	2,809.02
	60-64	1,625.34	3,229.18	1,962.66	3,526.68
	65-99	1,996.38	4,446.64	2,339.87	4,581.56
	65-99 **	962.92	3,413.20	1,306.40	3,548.12

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PPO 3000 (03P9)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	343.60	928.64	746.88	1,150.12
	30-39	417.45	1,028.01	832.05	1,329.06
	40-49	582.19	1,189.88	900.22	1,522.13
	50-54	789.47	1,627.22	1,064.95	1,800.49
	55-59	979.75	2,024.79	1,246.68	2,209.38
	60-64	1,277.91	2,538.79	1,542.04	2,771.66
	65-99	1,570.41	3,495.82	1,840.24	3,603.72
	65-99 **	758.25	2,683.66	1,028.06	2,791.56

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	308.89	835.19	670.46	1,033.08
	30-39	375.73	923.56	746.76	1,194.42
	40-49	522.24	1,068.39	808.28	1,368.86
	50-54	709.14	1,461.93	957.14	1,618.58
	55-59	879.15	1,819.20	1,119.79	1,984.53
	60-64	1,147.00	2,282.02	1,385.99	2,489.64
	65-99	1,410.87	3,141.31	1,652.78	3,237.74
	65-99 **	680.59	2,411.01	922.47	2,507.46

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	267.25	723.56	581.04	894.84
	30-39	325.87	799.79	647.21	1,035.08
	40-49	452.87	925.68	700.24	1,185.42
	50-54	614.15	1,266.13	829.55	1,401.93
	55-59	762.16	1,576.31	969.99	1,719.86
	60-64	994.07	1,976.26	1,200.81	2,157.33
	65-99	1,222.69	2,721.88	1,432.71	2,804.86
	65-99 **	589.73	2,088.94	799.75	2,171.91

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.33	787.39	631.22	974.34
	30-39	354.11	870.98	703.81	1,126.08
	40-49	492.67	1,007.33	760.98	1,291.06
	50-54	668.62	1,379.02	903.94	1,526.38
	55-59	829.18	1,715.54	1,055.68	1,871.67
	60-64	1,082.12	2,151.02	1,306.44	2,348.96
	65-99	1,330.64	2,962.59	1,559.40	3,052.76
	65-99 **	642.21	2,274.19	870.98	2,364.34

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	309.74	838.82	673.79	1,037.78
	30-39	377.60	927.00	750.66	1,200.59
	40-49	524.53	1,073.99	811.69	1,374.69
	50-54	712.22	1,469.65	963.18	1,625.65
	55-59	884.05	1,829.15	1,125.99	1,994.21
	60-64	1,153.11	2,292.66	1,392.76	2,502.92
	65-99	1,417.65	3,156.35	1,661.84	3,253.58
	65-99 **	682.82	2,421.53	927.00	2,518.73

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	262.91	712.33	571.89	880.64
	30-39	321.26	787.80	636.87	1,019.26
	40-49	445.55	910.58	689.27	1,166.56
	50-54	605.12	1,246.53	817.46	1,380.64
	55-59	750.38	1,551.64	956.06	1,692.07
	60-64	979.13	1,946.27	1,183.04	2,124.74
	65-99	1,203.98	2,679.85	1,410.33	2,761.62
	65-99 **	580.00	2,055.85	786.33	2,137.62

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	233.08	633.32	507.96	782.86
	30-39	285.88	699.28	565.14	905.96
	40-49	395.82	809.25	611.32	1,037.93
	50-54	536.55	1,108.31	725.66	1,227.02
	55-59	666.31	1,378.78	848.81	1,504.13
	60-64	868.62	1,728.42	1,051.11	1,886.73
	65-99	1,068.69	2,381.52	1,253.45	2,454.09
	65-99 **	514.56	1,827.38	699.31	1,899.96

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	269.07	729.25	584.96	902.28
	30-39	328.04	806.58	651.92	1,043.05
	40-49	456.35	933.12	704.95	1,195.64
	50-54	619.32	1,277.13	837.08	1,413.74
	55-59	768.07	1,589.19	977.85	1,733.45
	60-64	1,002.15	1,992.47	1,210.19	2,175.58
	65-99	1,232.39	2,744.24	1,444.27	2,827.47
	65-99 **	594.71	2,106.56	806.59	2,189.79

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	266.64	721.40	578.78	892.98
	30-39	324.52	797.89	644.91	1,031.46
	40-49	450.61	921.92	698.67	1,182.35
	50-54	611.86	1,262.96	826.81	1,397.33
	55-59	760.69	1,570.98	967.39	1,713.59
	60-64	990.12	1,971.96	1,196.82	2,151.81
	65-99	1,219.56	2,714.04	1,428.34	2,796.71
	65-99 **	587.05	2,081.54	795.82	2,164.20

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.33	787.39	631.22	974.34
	30-39	354.11	870.98	703.81	1,126.08
	40-49	492.67	1,007.33	760.98	1,291.06
	50-54	668.62	1,379.02	903.94	1,526.38
	55-59	829.18	1,715.54	1,055.68	1,871.67
	60-64	1,082.12	2,151.02	1,306.44	2,348.96
	65-99	1,330.64	2,962.59	1,559.40	3,052.76
	65-99 **	642.21	2,274.19	870.98	2,364.34

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PPO 4000 (03PA)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	293.31	792.69	637.55	981.75
	30-39	356.34	877.54	710.26	1,134.51
	40-49	496.98	1,015.71	768.45	1,299.32
	50-54	673.89	1,389.02	909.06	1,536.92
	55-59	836.32	1,728.40	1,064.20	1,885.96
	60-64	1,090.84	2,167.18	1,316.29	2,365.95
	65-99	1,340.54	2,984.11	1,570.86	3,076.20
	65-99 **	647.25	2,290.82	877.58	2,382.92

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	259.39	701.35	563.02	867.55
	30-39	315.53	775.58	627.11	1,003.02
	40-49	438.55	897.19	678.78	1,149.51
	50-54	595.51	1,227.67	803.79	1,359.21
	55-59	738.27	1,527.69	940.35	1,666.53
	60-64	963.22	1,916.36	1,163.91	2,090.71
	65-99	1,184.80	2,637.95	1,387.94	2,718.94
	65-99 **	571.54	2,024.68	774.67	2,105.68

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	226.16	612.32	491.71	757.26
	30-39	275.79	676.84	547.69	875.95
	40-49	383.24	783.36	592.58	1,003.18
	50-54	519.73	1,071.47	702.01	1,186.40
	55-59	644.99	1,333.96	820.86	1,455.45
	60-64	841.25	1,672.44	1,016.21	1,825.67
	65-99	1,034.72	2,303.42	1,212.44	2,373.64
	65-99 **	499.07	1,767.79	676.80	1,838.00

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	245.58	666.04	533.93	824.18
	30-39	299.52	736.73	595.34	952.53
	40-49	416.75	852.07	643.71	1,092.06
	50-54	565.58	1,166.47	764.62	1,291.13
	55-59	701.39	1,451.12	892.99	1,583.19
	60-64	915.32	1,819.48	1,105.08	1,986.93
	65-99	1,125.55	2,505.98	1,319.05	2,582.25
	65-99 **	543.24	1,923.67	736.74	1,999.93

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	261.88	709.21	569.67	877.41
	30-39	319.24	783.76	634.67	1,015.08
	40-49	443.49	908.04	686.27	1,162.27
	50-54	602.16	1,242.56	814.35	1,374.46
	55-59	747.46	1,546.52	951.99	1,686.04
	60-64	974.92	1,938.39	1,177.55	2,116.16
	65-99	1,198.59	2,668.62	1,405.05	2,750.82
	65-99 **	577.32	2,047.34	783.75	2,129.55

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	227.00	615.06	493.79	760.35
	30-39	277.40	680.20	549.92	880.07
	40-49	384.71	786.21	595.15	1,007.26
	50-54	522.48	1,076.28	705.82	1,192.09
	55-59	647.88	1,339.74	825.51	1,460.99
	60-64	845.42	1,680.47	1,021.47	1,834.58
	65-99	1,039.55	2,313.86	1,217.72	2,384.46
	65-99 **	500.78	1,775.09	678.94	1,845.68

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	194.27	527.85	423.39	652.49
	30-39	238.28	582.86	471.05	755.13
	40-49	329.91	674.49	509.53	865.09
	50-54	447.22	923.76	604.85	1,022.72
	55-59	555.35	1,149.20	707.47	1,253.68
	60-64	723.99	1,440.62	876.09	1,572.58
	65-99	890.76	1,984.99	1,044.74	2,045.47
	65-99 **	428.89	1,523.09	582.86	1,583.60

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	224.41	608.18	487.85	752.51
	30-39	273.56	672.68	543.69	869.89
	40-49	380.59	778.22	587.92	997.15
	50-54	516.51	1,065.11	698.13	1,179.06
	55-59	640.56	1,325.36	815.52	1,445.69
	60-64	835.79	1,661.71	1,009.29	1,814.44
	65-99	1,027.80	2,288.68	1,204.52	2,358.11
	65-99 **	495.98	1,756.87	672.68	1,826.27

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	222.38	601.66	482.69	744.74
	30-39	270.66	665.44	537.85	860.24
	40-49	375.80	768.87	582.69	986.09
	50-54	510.29	1,053.31	689.56	1,165.36
	55-59	634.40	1,310.18	806.79	1,429.11
	60-64	825.76	1,644.61	998.15	1,794.60
	65-99	1,017.11	2,263.51	1,191.22	2,332.44
	65-99 **	489.59	1,735.99	663.73	1,804.94

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	245.58	666.04	533.93	824.18
	30-39	299.52	736.73	595.34	952.53
	40-49	416.75	852.07	643.71	1,092.06
	50-54	565.58	1,166.47	764.62	1,291.13
	55-59	701.39	1,451.12	892.99	1,583.19
	60-64	915.32	1,819.48	1,105.08	1,986.93
	65-99	1,125.55	2,505.98	1,319.05	2,582.25
	65-99 **	543.24	1,923.67	736.74	1,999.93

ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS

RATES EFFECTIVE 7/01/11

Plan: HSA 1800 (80/50) (03PB)

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	421.08	1,147.16	919.68	1,413.33
	30-39	513.06	1,263.35	1,021.29	1,636.02
	40-49	716.40	1,461.74	1,108.42	1,873.20
	50-54	972.91	2,003.87	1,311.71	2,216.86
	55-59	1,205.20	2,492.73	1,534.39	2,720.25
	60-64	1,573.09	3,126.84	1,902.21	3,412.38
	65-99	1,931.28	4,303.01	2,265.27	4,433.69
	65-99 **	934.15	3,305.87	1,268.18	3,436.58

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	385.52	1,045.55	838.62	1,290.88
	30-39	470.49	1,153.24	932.22	1,492.07
	40-49	653.08	1,334.62	1,010.09	1,709.84
	50-54	885.58	1,827.26	1,195.61	2,023.13
	55-59	1,099.18	2,273.78	1,399.33	2,480.33
	60-64	1,434.80	2,851.84	1,734.06	3,112.39
	65-99	1,762.56	3,925.87	2,065.95	4,046.22
	65-99 **	850.11	3,013.41	1,153.48	3,133.78

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	332.54	900.52	722.15	1,111.60
	30-39	405.05	993.94	803.86	1,286.00
	40-49	562.46	1,149.75	870.13	1,473.07
	50-54	763.38	1,573.62	1,029.85	1,742.59
	55-59	946.52	1,959.11	1,205.18	2,136.06
	60-64	1,235.54	2,456.92	1,493.35	2,681.27
	65-99	1,518.24	3,382.29	1,779.89	3,485.18
	65-99 **	732.96	2,597.05	994.65	2,699.91

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	381.87	1,030.22	827.31	1,272.81
	30-39	461.39	1,137.58	918.84	1,471.73
	40-49	644.35	1,316.59	994.38	1,686.48
	50-54	871.08	1,801.81	1,181.35	1,992.76
	55-59	1,081.91	2,239.38	1,380.25	2,442.22
	60-64	1,412.02	2,812.16	1,706.40	3,066.72
	65-99	1,738.19	3,870.19	2,036.54	3,989.48
	65-99 **	839.26	2,971.24	1,137.60	3,090.58

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	413.94	1,120.69	899.05	1,388.33
	30-39	505.96	1,237.74	1,003.59	1,605.79
	40-49	702.54	1,434.32	1,083.07	1,835.74
	50-54	949.26	1,961.18	1,283.75	2,174.45
	55-59	1,179.22	2,442.12	1,505.39	2,663.73
	60-64	1,538.84	3,065.16	1,860.84	3,345.31
	65-99	1,894.28	4,219.31	2,220.48	4,344.79
	65-99 **	911.61	3,236.61	1,237.80	3,362.11

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	346.47	934.01	750.80	1,156.07
	30-39	420.41	1,032.74	835.31	1,336.34
	40-49	583.76	1,194.07	903.62	1,529.94
	50-54	792.59	1,635.45	1,071.55	1,811.93
	55-59	983.38	2,033.99	1,252.74	2,220.06
	60-64	1,282.26	2,552.29	1,551.87	2,785.69
	65-99	1,578.53	3,513.76	1,849.91	3,620.07
	65-99 **	759.33	2,694.54	1,030.72	2,800.87

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	307.72	831.22	667.39	1,027.05
	30-39	375.65	919.15	743.31	1,186.91
	40-49	519.52	1,063.04	803.27	1,362.78
	50-54	703.35	1,454.64	951.14	1,610.53
	55-59	875.22	1,810.32	1,115.00	1,974.20
	60-64	1,142.96	2,269.95	1,378.74	2,477.73
	65-99	1,402.73	3,125.15	1,642.48	3,221.04
	65-99 **	675.42	2,397.84	915.14	2,493.69

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	338.13	911.76	732.54	1,127.01
	30-39	408.88	1,007.11	813.49	1,303.33
	40-49	570.02	1,165.32	880.65	1,493.29
	50-54	771.56	1,595.15	1,046.12	1,764.94
	55-59	957.96	1,983.13	1,222.39	2,163.01
	60-64	1,250.55	2,489.60	1,511.36	2,715.68
	65-99	1,538.81	3,426.60	1,803.24	3,532.06
	65-99 **	742.68	2,630.46	1,007.12	2,735.93

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	334.02	905.07	725.51	1,120.59
	30-39	409.44	1,002.06	808.11	1,296.56
	40-49	567.49	1,156.49	876.34	1,483.34
	50-54	768.61	1,583.93	1,037.99	1,756.31
	55-59	955.34	1,971.78	1,213.95	2,151.39
	60-64	1,242.73	2,474.61	1,504.88	2,700.89
	65-99	1,530.04	3,404.84	1,792.21	3,508.96
	65-99 **	736.27	2,611.07	998.45	2,715.21

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	381.87	1,030.22	827.31	1,272.81
	30-39	461.39	1,137.58	918.84	1,471.73
	40-49	644.35	1,316.59	994.38	1,686.48
	50-54	871.08	1,801.81	1,181.35	1,992.76
	55-59	1,081.91	2,239.38	1,380.25	2,442.22
	60-64	1,412.02	2,812.16	1,706.40	3,066.72
	65-99	1,738.19	3,870.19	2,036.54	3,989.48
	65-99 **	839.26	2,971.24	1,137.60	3,090.58

ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS

RATES EFFECTIVE 7/01/11

Plan: HSA 2500 (80/50) (03PC)

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	351.38	957.20	767.40	1,179.32
	30-39	428.12	1,054.12	852.20	1,365.09
	40-49	597.76	1,219.69	924.87	1,562.99
	50-54	811.81	1,672.07	1,094.47	1,849.73
	55-59	1,005.61	2,079.96	1,280.26	2,269.76
	60-64	1,312.59	2,609.02	1,587.26	2,847.31
	65-99	1,611.49	3,590.44	1,890.14	3,699.49
	65-99 **	779.51	2,758.45	1,058.14	2,867.49

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	324.82	879.92	705.67	1,086.62
	30-39	396.15	970.84	784.88	1,256.15
	40-49	549.55	1,123.44	850.07	1,439.12
	50-54	745.44	1,537.62	1,006.16	1,702.82
	55-59	924.88	1,913.86	1,177.44	2,087.18
	60-64	1,207.25	2,400.27	1,459.28	2,619.52
	65-99	1,483.60	3,304.49	1,739.08	3,405.61
	65-99 **	715.59	2,536.47	971.08	2,637.62

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	272.12	737.07	591.12	909.75
	30-39	331.49	813.46	657.87	1,052.48
	40-49	460.35	941.00	712.20	1,205.66
	50-54	624.79	1,288.06	842.91	1,426.24
	55-59	774.74	1,603.47	986.46	1,748.41
	60-64	1,011.34	2,010.89	1,222.29	2,194.56
	65-99	1,242.59	2,768.26	1,456.72	2,852.49
	65-99 **	599.91	2,125.55	814.01	2,209.79

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	311.07	839.16	673.93	1,036.79
	30-39	375.85	926.64	748.45	1,198.76
	40-49	524.86	1,072.46	810.01	1,373.78
	50-54	709.55	1,467.71	962.27	1,623.21
	55-59	881.27	1,824.11	1,124.28	1,989.39
	60-64	1,150.19	2,290.69	1,389.98	2,498.05
	65-99	1,415.88	3,152.53	1,658.88	3,249.68
	65-99 **	683.64	2,420.28	926.64	2,517.45

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	337.36	913.20	732.60	1,131.27
	30-39	412.31	1,008.59	817.79	1,308.47
	40-49	572.46	1,168.73	882.54	1,495.86
	50-54	773.46	1,598.08	1,046.06	1,771.85
	55-59	960.88	1,989.89	1,226.66	2,170.52
	60-64	1,253.94	2,497.61	1,516.29	2,725.93
	65-99	1,543.54	3,438.07	1,809.32	3,540.32
	65-99 **	742.82	2,637.34	1,008.60	2,739.60

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	285.21	768.74	618.01	951.52
	30-39	346.02	850.04	687.44	1,099.88
	40-49	480.41	982.75	743.76	1,259.32
	50-54	652.39	1,346.11	882.06	1,491.34
	55-59	809.39	1,674.08	1,031.11	1,827.28
	60-64	1,055.42	2,100.62	1,277.34	2,292.79
	65-99	1,299.18	2,891.98	1,522.58	2,979.56
	65-99 **	624.96	2,217.78	848.36	2,305.36

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	256.34	692.48	555.95	855.58
	30-39	312.94	765.72	619.21	988.75
	40-49	432.79	885.54	669.18	1,135.26
	50-54	585.93	1,211.85	792.33	1,341.68
	55-59	729.09	1,508.11	928.87	1,644.65
	60-64	952.13	1,891.01	1,148.58	2,064.12
	65-99	1,168.56	2,603.42	1,368.31	2,683.33
	65-99 **	562.59	1,997.46	762.35	2,077.36

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	278.15	749.87	602.61	927.11
	30-39	336.47	828.39	669.14	1,072.14
	40-49	468.74	958.48	724.49	1,228.41
	50-54	634.78	1,312.12	860.55	1,451.99
	55-59	788.04	1,631.41	1,005.62	1,779.48
	60-64	1,028.79	2,047.84	1,243.40	2,234.04
	65-99	1,265.78	2,818.67	1,483.36	2,905.35
	65-99 **	610.81	2,163.69	828.40	2,250.40

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	277.26	751.38	602.29	930.27
	30-39	339.88	831.93	670.88	1,076.39
	40-49	471.11	960.11	727.48	1,231.46
	50-54	638.08	1,314.92	861.73	1,458.04
	55-59	793.11	1,636.95	1,007.80	1,786.06
	60-64	1,031.67	2,054.40	1,249.35	2,242.24
	65-99	1,270.21	2,826.65	1,487.89	2,913.13
	65-99 **	611.25	2,167.68	828.94	2,254.15

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	311.07	839.16	673.93	1,036.79
	30-39	375.85	926.64	748.45	1,198.76
	40-49	524.86	1,072.46	810.01	1,373.78
	50-54	709.55	1,467.71	962.27	1,623.21
	55-59	881.27	1,824.11	1,124.28	1,989.39
	60-64	1,150.19	2,290.69	1,389.98	2,498.05
	65-99	1,415.88	3,152.53	1,658.88	3,249.68
	65-99 **	683.64	2,420.28	926.64	2,517.45

SERFF Tracking Number: AWLP-127129861 State: California
 Filing Company: Anthem Blue Cross Life and Health Insurance State Tracking Number: PF-2011-00736
 Company
 Company Tracking Number:
 TOI: H15G Group Health - Hospital/Surgical/Medical Sub-TOI: H15G.003 Small Group Only
 Expense
 Product Name: 07012011 CalChoice Rate Filing
 Project Name/Number: CaliforniaChoice 7/1/11 Filing/

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Filing Cover Sheet		
Comments: n/a		
Attachment: Cover Letter.pdf		

	Item Status:	Status Date:
Satisfied - Item: Document Submission Formset		
Comments: n/a		
Attachment: Document Submission Formset.pdf		

	Item Status:	Status Date:
Satisfied - Item: Rating Plans		
Comments: Please refer to the independent Actuarial Certification.		

	Item Status:	Status Date:
Satisfied - Item: Third Party Authorization		
Comments: n/a		

	Item Status:	Status Date:

SERFF Tracking Number:	AWLP-127129861	State:	California
Filing Company:	Anthem Blue Cross Life and Health Insurance	State Tracking Number:	PF-2011-00736
	Company		
Company Tracking Number:			
TOI:	H15G Group Health - Hospital/Surgical/Medical Sub-TOI:		H15G.003 Small Group Only
	Expense		
Product Name:	07012011 CalChoice Rate Filing		
Project Name/Number:	CaliforniaChoice 7/1/11 Filing/		
Satisfied - Item:	CA Rate Filing Forms		
Comments:			
	n/a		
Attachments:			
	CAPlainLangFilingDesc CDI.pdf		
	CARateFilingForm CDI.pdf		
	ABC CALCHOICE PPO_Rates_7_1_2010_SEND.xls		
	ABC CALCHOICE PPO_Rates_7_1_2011-send.xls		

Item Status:

Status
Date:

Satisfied - Item:	Independent Actuarial Certification
Comments:	n/a
Attachment:	Galasso_Report_CA_CalChoice_07-01-11_CDI.pdf

CALIFORNIA DEPARTMENT OF INSURANCE

Reset Form

FILING COVER SHEET for FORMS FILINGS with the POLICY APPROVAL BUREAU

(Suggested for use as the cover letter required by Title 10, California Code of Regulations §2205.)

TO: State of California Department of Insurance Policy Approval Bureau 45 Fremont Street San Francisco, CA 94105	FROM: (Official Insurer Name): Anthem Blue Cross Life and Health Insurance Company <hr/> Submitter and Complete Mailing Address: Michael Cole - Actuarial Dir. Anthem Blue Cross Life and Health Insurance Company 2100 Corporate Center Drive (CANQ02-K000) Newbury Park, CA 91320 <hr/> Submission Date: 4/15/11
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1. IDENTIFYING FORM NUMBER(S): 03P7
 [The form number(s) of one or more of the documents submitted by which the filing can be identified. §2205(a)]

2. DOCUMENT CLASS [The subdivision of 10 CCR §2202(a) which best describes the forms submitted. (§2205(b))]

Generic Description and Definition Citation	<u>Check Below</u>		Generic Description and Definition Citation	<u>Check Below</u>
Health Insurance [Hospital, medical, surgical insurance, expense-incurred or indemnity. §2202(a)(1)]	<input checked="" type="checkbox"/>	or	Credit Life and Disability [§2202(a)(6)]	
Group and Blanket Life and Non-health Disability [§2202(a)(2)]			Supplemental Life Benefits [§2202(a)(7)]	
Individual Disability, Non-health [§2202(a)(3)]			Variable Life and Annuities [§2202(a)(8)]	
Medicare Supplement [§2202(a)(4)]			Fraternal [Non-health Disability. §2202(a)(9)]	
Long-Term Care [§2202(a)(5)]			Unclassified [§2202(a)(11)]	
* Describe briefly (documents other than those described above may have to be filed with other Department Bureaus; see §2206):				

3. GROUP AND/OR INDIVIDUAL [Are the forms group, individual or used in both contexts? §2205(b)]

Group Only:	<input checked="" type="checkbox"/>		Individual Only:	<input type="checkbox"/>		Group and Individual:	<input type="checkbox"/>	
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4. EMPLOYER SIZE (Employer Health Insurance Only) [Where the forms submitted provide health coverage through employment, the minimum and the maximum sizes of the employers in terms of number of employees §2205(c)]

2 to 50 Employees:	<input checked="" type="checkbox"/>		Over 50 Employees:	<input type="checkbox"/>		All Employers:	<input type="checkbox"/>	
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5. REPLACES PREVIOUSLY-APPROVED DOCUMENT(S)? [Do any documents replace previously-approved documents. §2205(d)]

6. FINAL PRINT FORM? [List those documents NOT in the final printed form in which they will be issued to insureds §2205(e)]

Document(s)	Document(s)

7. TYPE OF DOCUMENT WITH WHICH IT WILL BE USED [For each document (such as a rider) which is designed to be used with another document not included in the filing, a statement of the document class with which it is to be used. §2205(f)]

Document Form Number	Document Class (from Item 2, above)
	Health Insurance

8. Master Policy Form Number and Approval Date: _____

[Where a certificate is submitted for use with a previously approved “group” document, the form number and the filing or approval date of the previously approved group document. §2205(g)]

9. IF ABOVE INFORMATION CANNOT BE FURNISHED, EXPLAIN WHY. [If the submitter is unable to furnish the information requested above, explain why. §2205(h)]

10. REMARKS AND ADDITIONAL INFORMATION (Attach additional sheets if necessary):

SUBMITTER’S SIGNATURE AND TITLE:  cn=Michael G. Cole, o, ou=Actuarial
Dir., email=michael.cole@wellpoint.
com, c=US

CALIFORNIA DOCUMENT SUBMISSION FORMSET

[Reset Form](#)

California Insurer Number: (NOT NAIC Number)		FOR DEPARTMENT USE ONLY		
Official Insurer Name: Anthem Blue Cross Life and Health Insurance Company		Our File #	Fee Code:	
Submitter and Complete Mailing Address: Michael Cole CANQ02-K000 2100 Corporate Center Drive Newbury Park, CA 91320		Reviewer:		
Submission Date: 4/15/2011		Dept Action Date:		
Document Form Number	Doc Type ("Policy," etc)	Document Coverage	Department Action	Fee
1 03P7	Rates			
2 03P8	Rates			
3 03P9	Rates			
4 03PA	Rates			
5 03PB	Rates			
6 03PC	Rates			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
INSTRUCTIONS: Complete the part of the form to the left of the double vertical line. Enter one document to a numbered line. Use additional formsets if necessary. Be accurate - the copy of this form that we return to you will be your only record of our action on your submission. THIS IS NOT A BILL - DO NOT PAY. YOU WILL RECEIVE A SEPARATE FILING FEE INVOICE SHORTLY; REMIT FEES ONLY WITH THAT INVOICE.				Total \$ Cont'd on ___ pages

DSF 1.35

**California Plain-Language
Rate Filing Description**
[for Web site posting, Health & Safety
Code 1385.07(d), Insurance Code 10181.7(d)]

Company Name:

Anthem Blue Cross Life and Health Insurance Company

SERFF Tracking Number

Department File Number: (will be completed by Department)

1. Justification for any unreasonable rate increases.

(Include all information as to why the rate increase is justified. Attach supporting documentation to this PDF file)

n/a

2) Overall annual medical trend factor assumptions for all benefits

8.9%

3) Actual Costs by Aggregate Benefit Category

Hospital Inpatient,	Dollar Cost: \$119.36
	Cost as Percentage of Medicare: n/a
Hospital Outpatient (including ER)	Dollar Cost: \$82.77
	Cost as Percentage of Medicare: n/a
Physician/other professional services	Dollar Cost: \$61.60
	Cost as Percentage of Medicare: n/a
Prescription Drug	Dollar Cost: \$43.41
	Cost as Percentage of Average Wholesale Price: n/a
Laboratory (other than inpatient)	Dollar Cost: \$28.00 (Other Ancillary Services, Laboratory and Radiology)
	Cost as Percentage of Medicare: n/a
Radiology (other than inpatient)	Dollar Cost: (See above: Laboratory, Radiology and Other Ancillary Services are combined)
	Cost as Percentage of Medicare: n/a

Other (describe)	Dollar Cost and Description: (See above: Laboratory, Radiology and Other Ancillary Services are combined)
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4) Amount of Projected Trend, by Aggregate Benefit Category, Attributable to Use of Services, Price Inflation, Fees and Risk

Hospital Inpatient	Trend attributable to use of services: 0.4%
	Trend attributable to price inflation: 12.4%
	Trend attributable to fees and risk: n/a
Hospital Outpatient (including ER)	Trend attributable to use of services: 0.9%
	Trend attributable to price inflation: 8.5%
	Trend attributable to fees and risk: n/a
Physician/other professional services	Trend attributable to use of services: 0.9%
	Trend attributable to price inflation: 3.8%
	Trend attributable to fees and risk: n/a
Prescription Drug	Trend attributable to use of services: 1.3%

	Trend attributable to price inflation: 9.4%
	Trend attributable to fees and risk: n/a
Laboratory (other than inpatient)	Trend attributable to use of services: 0.6%
	Trend attributable to price inflation: 5.1%
	Trend attributable to fees and risk: n/a
Radiology (other than inpatient)	Trend attributable to use of services: (See above: Laboratory, Radiology and Other Ancillary Services are combined)
	Trend attributable to price inflation: (See above: Laboratory, Radiology and Other Ancillary Services are combined)
	Trend attributable to fees and risk: n/a
Other (describe)	(See above: Laboratory, Radiology and Other Ancillary Services are combined)

5) Other Information



#630302v1

California Rate Filing Form
For Individual and Small Group Health Insurance
Rate Filings, Version 1

1) Company Name:

Anthem Blue Cross Life and Health Insurance Company

2) Number of policy forms covered by the filing: 6

3) Policy form numbers covered by the filing:

03P7 03P8 03P9 03PA 03PB 03PC
--

4) Product types covered by the filing. Selected from the following:

<input type="radio"/>	HMO (Health Maintenance Organization)
<input checked="" type="radio"/>	PPO (Preferred Provider Organization)
<input type="radio"/>	EPO (Exclusive Provider Organization)
<input type="radio"/>	POS (Point of Service)
<input type="radio"/>	FFS (Fee for Service)
<input type="radio"/>	Other (describe) _____

5) Segment type. One of the following:

<input type="radio"/>	Large Group
<input checked="" type="radio"/>	Small Group (2-50 employees)
<input type="radio"/>	Individual

Note: Large Group, Small Group, and Individual filings should not be combined within a single filing.

8) Enrollment:

Number of lives, including dependents, as of the end of the latest month for which the data has been compiled, covered by each product (identified by all marketing names used for each policy form covered by the filing).

(For new products, the number of lives shown should be “0”.)

[illegible]

(If additional space is needed, see question 26. Check this box if additional space is used. ☐)

9) Insured months in each policy form

Number of insured (or member) months for the experience period on which the rates were based. (Does not apply to rates for new products.)

[illegible]

(If additional space is needed, see question 26. Check this box if additional space is used. ☐)

10) Annual Rate

For each product included in the filing, show the current and proposed annual premium rates for all rating cells.

[illegible]

(If additional space is needed, see question 26. Check this box if additional space is used. ☐)

- 12) Total dollar amount of incurred claims in each policy form for the experience period on which the rates are based. (Does not apply to rates for new products.)

If helpful to understanding the basis for the filed rate increases, the insurer may, but is not required to, disaggregate incurred claim data into the aggregate benefit categories listed in item 18 below. If you choose to disaggregate, please do so on a separate page attached to the PDF of this filing form, identifying this question number.

[illegible]

(If additional space is needed, see question 26. Check this box if additional space is used. ☐)

13) Average rate increase initially requested

The weighted average of the proposed rate increases included in the filing, weighting the increases by the number of covered lives for each product (per item 8, above). Rates for new products are not included in this calculation, as they have a weight of zero. (Does not apply to rates for new products.)

[illegible]

(If additional space is needed, see question 26. Check this box if additional space is used. ☐)

14) Review category: One of the following:

<input type="radio"/>	Initial Filing for New Product
<input checked="" type="radio"/>	Filing for Existing Product
<input type="radio"/>	Resubmission

Resubmissions should be submitted through SERFF under the same state filing number and SERFF tracking number assigned to the original submission of this filing. Do not submit resubmissions as a new filing.

15) Average rate of increase

In those instances in which there is a revision to the rates requested after initial submission, the revision should be submitted as an amendment to the original submission of this filing under the rate/rule form tab. Also, in the case of a resubmission, update the information under the "company rate information" field under the "Rate/Rule Schedule" tab in SERFF. The average rate of increase is a weighted average, calculated as in item 13, above. (Does not apply to rates for new products.)

Policy Form Number	Marketing Name	Weighted Average
Not a revision		

(If additional space is needed, see question 26. Check this box if additional space is used. ☐)

16) Effective date of rate increase: 7/1/2011

The earliest anticipated date that the proposed rate increase, or new product rate, will take effect for a policyholder. (Does not apply to rates for new products.)

17) Number of policyholders or insureds affected by each policy form

Same as item 8, above. (Does not apply to rates for new products.)

18) Overall medical trend factor and trend factors by aggregate benefit category:

Overall Medical Trend Factor

“Overall” means the weighted average of trend factors used to determine rate increases included in the filing, weighting the factor for each aggregate benefit category by the amount of projected medical costs attributable to that category.

8.9%

Medical Trend Factor by Aggregate Benefit Category

The aggregate benefit categories are each of the following – hospital inpatient, hospital outpatient (including emergency room), physician and other professional services, prescription drugs from pharmacies, laboratory services (other than hospital inpatient), radiology services (other than hospital inpatient), other (describe).

Hospital Inpatient	12.8%
Hospital Outpatient (including ER)	9.4%
Physician/other professional services	4.8%
Prescription Drug	10.6%
Laboratory (other than inpatient)	5.7%
Radiology (other than inpatient)	(Laboratory, Radiology,
Other (describe)	and other ancillary combined)

Optional Medical Trend Factor by Aggregate Benefit Category by Geographic Region

The insurer may, but is not required to, aggregate additional data in major geographic regions of the state. If the insurer chooses to so aggregate, the major geographic regions of the state are: Northern California (consisting of Monterey, Kings, Tulare, and Inyo counties, and all counties to the north), and Southern California (consisting of San Luis Obispo, Kern, and San Bernardino counties, and all counties to the south).

	North	South
Hospital Inpatient		
Hospital Outpatient (including ER)		
Physician/other professional services		
Prescription Drug		
Laboratory (other than inpatient)		
Radiology (other than inpatient)		
Other (describe)		

19) Projected medical trend

Use the same aggregate benefit categories used in item 18 –hospital inpatient, hospital outpatient (including emergency room), physician and other professional services, prescription drugs from pharmacies, laboratory services (other than hospital inpatient), radiology services (other than Hospital inpatient), other (describe). Furthermore, within each aggregate category quantify the sources of trend, i.e. actual-to-expected claim costs over the prior rating period, utilization of medical services, cost of medical services, plan design, risk factors, demographic factors, and administrative and other non-claim expenses.

Projected Medical Trend by Aggregate Benefit Category

Hospital Inpatient	0.4% (utilization), 12.4% (inflation)
Hospital Outpatient (including ER)	0.9% (utilization), 8.5% (inflation)
Physician/other professional services	0.9% (utilization), 3.8% (inflation)
Prescription Drug	1.3% (utilization), 9.4% (inflation)
Laboratory (other than inpatient)	0.6% (utilization), 5.1% (inflation)
Radiology (other than inpatient)	(Laboratory, Radiology,
Other (describe)	and other ancillary combined)

20) Comparison of claims cost and rate of changes over time

For each proposed rate increase, provide the projected annualized incurred claims cost per insured for the period covered by the proposed rate, the historical incurred claims cost per insured for the most recent 12 months of the experience period on which the rates were based, and, if available, the historical incurred claims cost per insured for the next two most recent 12 month periods. Also, compare the rate of change of claims costs over all of the projected and historical periods for which information is provided. Show all claim costs according to aggregate benefit category. (Does not apply to rates for new products.)

Relevant Period	Total PMPM
Experience [06/10 - 12/10]	\$334.97
Rating [12-month Period starting 7/11 to 12/11]	\$381.06
<hr/>	
Rate of Change (Annualized*)	8.9%
Note: the annualized trend is based on the following assumption	
# of Trending Months	18.14

21) Describe any changes in enrollee/insured cost-sharing, compared to the prior year, associated with the submitted rate filing, and quantify the impact of each change on each of the rates included in the filing. (Does not apply to rates for new products.)

[HCR-related Changes] - [Impact on Claim Projection]
i. Removal of cost sharing on Preventive Health Services - 0.5%


22) Describe any changes in enrollee/insured benefits, compared to the prior year, associated with the submitted rate filing, and quantify the impact of each change on each of the rates included in the filing. (Does not apply to rates for new products.)

[HCR-related Changes] - [Impact on Claim Projection]
i. Removal of SG PPO lifetime maximum benefit of \$5 million - 0.2%
ii. Expanding of dependent definition from age 19/24 to 26/26 - 1.1%
iii. Removal of dollar limits on Essential Health Benefits - 0.3%

- Submitted

- Administrative costs are the costs defined in Sections 158.150, 158.151, 158.160, and 158.161 of 45 Code of Federal Regulations Subtitle A, Subchapter B, in the interim final rule issued by the Department of Health and Human Services on December 1, 2010 at 75 Federal Register 74924-74926. Changes in administrative costs should be compared to the prior year, associated with the submitted rate filing, and changes should be shown separately for the costs defined by each of the sections of Code of Federal Regulations listed above in this item. (Does not apply to rates for new products.)

2010 Actual - \$20.84 PMPM

- 

26) Blank form if additional spaces needed.

If additional space is needed to respond to a question, use the form below. Note the question number, and insert column headings as appropriate. If further space is needed, use PDF generating software to copy this page and insert the copy at the end of this document.

[illegible]

Attachment "ABC CALCHOICE PPO_Rates_7_1_2010_SEND.xls" is not a PDF document and cannot be reproduced here.

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/10
Plan: PP0 750 (03P7)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	548.74	1,485.36	1,192.08	1,835.43
	30-39	668.59	1,639.89	1,327.69	2,122.43
	40-49	927.17	1,898.51	1,434.91	2,431.47
	50-54	1,258.31	2,598.61	1,702.99	2,876.12
	55-59	1,564.24	3,232.50	1,989.98	3,525.78
	60-64	2,037.26	4,055.61	2,462.99	4,424.57
	65-99	2,507.18	5,581.98	2,936.08	5,752.26
	65-99 **	1,207.85	4,282.66	1,636.75	4,452.93

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	593.92	1,609.32	1,290.00	1,988.15
	30-39	723.59	1,777.42	1,436.60	2,299.70
	40-49	1,004.96	2,056.77	1,554.48	2,634.00
	50-54	1,363.70	2,813.93	1,844.26	3,114.89
	55-59	1,693.18	3,501.13	2,156.15	3,818.77
	60-64	2,208.08	4,393.09	2,669.24	4,793.20
	65-99	2,714.80	6,046.82	3,180.83	6,231.46
	65-99 **	1,308.74	4,640.77	1,774.77	4,825.41

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	527.41	1,427.61	1,145.52	1,765.16
	30-39	642.35	1,576.97	1,275.97	2,041.02
	40-49	892.34	1,825.45	1,380.01	2,337.95
	50-54	1,210.42	2,498.20	1,636.35	2,765.34
	55-59	1,503.37	3,107.65	1,913.66	3,389.69
	60-64	1,959.04	3,899.97	2,368.42	4,254.69
	65-99	2,410.61	5,367.33	2,824.01	5,530.71
	65-99 **	1,161.96	4,118.68	1,575.36	4,282.06

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	586.51	1,589.69	1,274.87	1,966.28
	30-39	716.13	1,756.38	1,419.91	2,271.90
	40-49	993.95	2,031.16	1,537.24	2,605.25
	50-54	1,348.92	2,781.21	1,821.22	3,080.65
	55-59	1,673.08	3,460.30	2,129.91	3,775.18
	60-64	2,182.37	4,343.12	2,639.22	4,738.24
	65-99	2,685.53	5,976.06	3,145.46	6,158.19
	65-99 **	1,293.37	4,583.91	1,753.30	4,766.04

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	631.74	1,712.39	1,372.50	2,116.45
	30-39	769.59	1,891.96	1,529.63	2,446.71
	40-49	1,071.07	2,190.22	1,654.66	2,805.88
	50-54	1,452.68	2,995.10	1,962.51	3,315.77
	55-59	1,802.20	3,729.43	2,296.02	4,066.15
	60-64	2,350.50	4,675.42	2,841.16	5,101.90
	65-99	2,892.49	6,439.12	3,386.29	6,634.76
	65-99 **	1,394.90	4,941.53	1,888.71	5,137.17

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	555.21	1,503.49	1,205.35	1,857.63
	30-39	675.53	1,660.62	1,343.28	2,147.45
	40-49	939.97	1,920.47	1,453.68	2,461.70
	50-54	1,273.41	2,628.10	1,722.80	2,909.59
	55-59	1,580.83	3,272.06	2,014.73	3,568.07
	60-64	2,062.42	4,104.07	2,493.24	4,477.40
	65-99	2,536.88	5,648.71	2,973.27	5,821.33

65-99 **	1,223.58	4,335.41	1,659.97	4,508.04
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Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	457.74	1,238.62	993.29	1,531.78
	30-39	556.47	1,367.25	1,106.99	1,771.14
	40-49	774.87	1,582.68	1,196.71	2,028.42
	50-54	1,050.10	2,166.04	1,418.10	2,399.43
	55-59	1,304.41	2,695.58	1,660.42	2,940.92
	60-64	1,699.33	3,383.71	2,055.35	3,691.87
	65-99	2,091.26	4,658.23	2,450.25	4,798.81
	65-99 **	1,008.23	3,575.20	1,367.23	3,715.80

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	586.51	1,589.69	1,274.87	1,966.28
	30-39	716.13	1,756.38	1,419.91	2,271.90
	40-49	993.95	2,031.16	1,537.24	2,605.25
	50-54	1,348.92	2,781.21	1,821.22	3,080.65
	55-59	1,673.08	3,460.30	2,129.91	3,775.18
	60-64	2,182.37	4,343.12	2,639.22	4,738.24
	65-99	2,685.53	5,976.06	3,145.46	6,158.19
	65-99 **	1,293.37	4,583.91	1,753.30	4,766.04

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	570.41	1,539.53	1,235.90	1,904.49
	30-39	693.09	1,702.06	1,376.98	2,201.97
	40-49	962.97	1,968.88	1,490.42	2,520.88
	50-54	1,306.44	2,692.63	1,763.41	2,980.89
	55-59	1,619.25	3,351.99	2,063.95	3,655.60
	60-64	2,112.97	4,204.55	2,554.62	4,587.90
	65-99	2,600.64	5,790.07	3,045.30	5,964.89
	65-99 **	1,254.32	4,443.74	1,698.98	4,618.57

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	586.51	1,589.69	1,274.87	1,966.28
	30-39	716.13	1,756.38	1,419.91	2,271.90
	40-49	993.95	2,031.16	1,537.24	2,605.25
	50-54	1,348.92	2,781.21	1,821.22	3,080.65
	55-59	1,673.08	3,460.30	2,129.91	3,775.18
	60-64	2,182.37	4,343.12	2,639.22	4,738.24
	65-99	2,685.53	5,976.06	3,145.46	6,158.19
	65-99 **	1,293.37	4,583.91	1,753.30	4,766.04

** Medicare Secondary Rate

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/10
Plan: PPO 1000 \$40 (03P8)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	368.29	1,000.01	801.73	1,235.16
	30-39	450.45	1,104.85	892.40	1,427.80
	40-49	623.23	1,277.65	966.02	1,637.45
	50-54	847.06	1,747.92	1,144.49	1,934.90
	55-59	1,051.05	2,175.68	1,339.97	2,371.16
	60-64	1,371.15	2,728.09	1,657.27	2,977.40
	65-99	1,685.61	3,756.45	1,974.56	3,869.77
	65-99 **	813.03	2,883.88	1,101.98	2,997.20

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	384.63	1,042.27	836.27	1,287.94
	30-39	469.16	1,152.04	931.28	1,490.72
	40-49	652.05	1,332.70	1,007.97	1,706.87
	50-54	883.78	1,822.87	1,194.84	2,019.05
	55-59	1,097.12	2,270.19	1,397.70	2,474.93
	60-64	1,431.53	2,846.38	1,729.77	3,106.46
	65-99	1,758.99	3,918.99	2,061.46	4,038.50
	65-99 **	847.98	3,007.98	1,150.44	3,127.49

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	357.66	970.35	778.12	1,198.57
	30-39	437.19	1,072.25	866.07	1,386.54
	40-49	605.98	1,239.75	937.58	1,589.01
	50-54	822.09	1,696.13	1,111.57	1,878.51
	55-59	1,020.86	2,112.30	1,300.47	2,302.13
	60-64	1,331.75	2,648.58	1,609.15	2,890.40
	65-99	1,636.71	3,646.53	1,917.26	3,757.39
	65-99 **	788.92	2,798.75	1,069.48	2,909.61

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	396.28	1,069.75	856.33	1,321.91
	30-39	482.22	1,180.60	956.11	1,527.03
	40-49	667.91	1,366.27	1,033.73	1,751.49
	50-54	906.23	1,870.69	1,224.95	2,070.19
	55-59	1,125.16	2,327.94	1,432.79	2,538.52
	60-64	1,468.82	2,918.21	1,773.66	3,187.06
	65-99	1,804.13	4,018.44	2,114.54	4,140.37
	65-99 **	870.19	3,084.50	1,180.60	3,206.44

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	426.10	1,151.64	924.20	1,422.26
	30-39	518.26	1,272.55	1,027.85	1,646.85
	40-49	719.77	1,471.22	1,114.19	1,885.83
	50-54	976.01	2,012.49	1,318.64	2,231.31
	55-59	1,212.08	2,507.69	1,543.20	2,735.14
	60-64	1,580.63	3,144.00	1,911.71	3,431.88
	65-99	1,943.41	4,327.30	2,277.37	4,459.72
	65-99 **	938.59	3,322.48	1,272.55	3,454.90

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	376.75	1,018.57	817.31	1,257.85
	30-39	457.98	1,124.72	909.66	1,455.48
	40-49	636.25	1,301.41	984.42	1,667.88
	50-54	863.65	1,780.79	1,166.36	1,972.53
	55-59	1,071.21	2,217.34	1,363.98	2,417.77
	60-64	1,397.27	2,780.74	1,690.03	3,034.65
	65-99	1,718.60	3,828.24	2,014.16	3,945.51

65-99 **	829.16	2,938.79	1,124.71	3,056.06
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Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	308.85	832.56	668.75	1,028.63
	30-39	375.99	921.19	743.93	1,189.73
	40-49	521.03	1,063.51	805.72	1,364.33
	50-54	706.32	1,455.64	953.42	1,611.39
	55-59	875.54	1,812.87	1,117.25	1,976.67
	60-64	1,144.11	2,274.78	1,380.46	2,481.58
	65-99	1,404.60	3,131.52	1,646.31	3,225.53
	65-99 **	676.79	2,403.71	918.51	2,497.72

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	387.28	1,045.69	837.26	1,291.89
	30-39	471.21	1,154.04	934.56	1,492.48
	40-49	652.88	1,335.24	1,010.21	1,711.93
	50-54	885.71	1,828.16	1,197.38	2,023.59
	55-59	1,099.63	2,275.34	1,400.25	2,480.96
	60-64	1,435.31	2,852.56	1,733.59	3,114.95
	65-99	1,763.54	3,927.77	2,066.93	4,047.17
	65-99 **	850.64	3,014.87	1,154.04	3,134.28

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	382.18	1,033.80	830.34	1,278.51
	30-39	464.65	1,141.06	923.84	1,476.47
	40-49	646.13	1,322.52	1,000.82	1,693.69
	50-54	877.09	1,809.17	1,185.02	2,001.62
	55-59	1,088.79	2,251.85	1,385.75	2,455.29
	60-64	1,418.74	2,823.70	1,715.68	3,082.18
	65-99	1,745.93	3,887.80	2,045.63	4,006.00
	65-99 **	841.34	2,983.21	1,141.05	3,101.42

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	396.28	1,069.75	856.33	1,321.91
	30-39	482.22	1,180.60	956.11	1,527.03
	40-49	667.91	1,366.27	1,033.73	1,751.49
	50-54	906.23	1,870.69	1,224.95	2,070.19
	55-59	1,125.16	2,327.94	1,432.79	2,538.52
	60-64	1,468.82	2,918.21	1,773.66	3,187.06
	65-99	1,804.13	4,018.44	2,114.54	4,140.37
	65-99 **	870.19	3,084.50	1,180.60	3,206.44

** Medicare Secondary Rate

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/10
Plan: PPO 3000 (03P9)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	280.72	758.68	610.20	939.64
	30-39	341.05	839.88	679.78	1,085.83
	40-49	475.65	972.13	735.48	1,243.57
	50-54	644.99	1,329.43	870.06	1,470.99
	55-59	800.45	1,654.24	1,018.53	1,805.05
	60-64	1,044.04	2,074.18	1,259.83	2,264.43
	65-99	1,283.02	2,856.07	1,503.46	2,944.21
	65-99 **	619.48	2,192.53	839.92	2,280.68

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	296.89	802.75	644.42	992.97
	30-39	361.14	887.70	717.76	1,148.03
	40-49	501.96	1,026.89	776.89	1,315.70
	50-54	681.60	1,405.15	919.98	1,555.72
	55-59	845.01	1,748.55	1,076.30	1,907.46
	60-64	1,102.46	2,193.41	1,332.16	2,392.96
	65-99	1,356.09	3,019.32	1,588.59	3,112.02
	65-99 **	654.16	2,317.39	886.66	2,410.09

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	272.93	738.93	593.38	913.85
	30-39	332.80	816.78	660.95	1,057.07
	40-49	462.48	945.34	715.10	1,210.60
	50-54	627.19	1,293.02	847.17	1,431.71
	55-59	778.35	1,609.79	990.59	1,756.40
	60-64	1,015.19	2,018.23	1,226.33	2,203.15
	65-99	1,248.66	2,779.70	1,463.14	2,864.43
	65-99 **	602.26	2,133.31	816.74	2,218.04

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	299.61	812.58	651.42	1,005.51
	30-39	365.43	898.83	726.33	1,162.11
	40-49	508.43	1,039.55	785.33	1,332.35
	50-54	690.02	1,423.14	932.86	1,575.21
	55-59	855.70	1,770.42	1,089.46	1,931.55
	60-64	1,116.73	2,219.83	1,348.24	2,424.11
	65-99	1,373.20	3,057.37	1,609.28	3,150.42
	65-99 **	662.77	2,346.94	898.84	2,439.98

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	323.06	874.87	702.74	1,082.37
	30-39	393.82	966.84	782.92	1,252.18
	40-49	547.07	1,120.14	846.57	1,433.76
	50-54	742.82	1,532.80	1,004.57	1,695.51
	55-59	922.04	1,907.75	1,174.37	2,079.89
	60-64	1,202.66	2,391.18	1,452.61	2,610.46
	65-99	1,478.57	3,291.98	1,733.25	3,393.38
	65-99 **	712.16	2,525.58	966.83	2,626.97

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	286.39	775.97	622.98	959.29
	30-39	349.97	858.16	693.77	1,110.30
	40-49	485.34	991.90	750.84	1,270.78
	50-54	659.17	1,357.87	890.48	1,503.97
	55-59	817.40	1,690.24	1,041.46	1,843.21
	60-64	1,066.59	2,120.12	1,288.70	2,314.54
	65-99	1,311.52	2,919.22	1,536.29	3,008.29

65-99 **	631.80	2,239.49	856.56	2,328.56
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Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	233.18	633.56	508.17	783.16
	30-39	286.00	699.57	565.37	906.33
	40-49	395.98	809.57	611.57	1,038.34
	50-54	536.77	1,108.75	725.95	1,227.52
	55-59	666.57	1,379.33	849.15	1,504.73
	60-64	868.96	1,729.11	1,051.53	1,887.48
	65-99	1,069.13	2,382.47	1,253.95	2,455.08
	65-99 **	514.77	1,828.10	699.58	1,900.72

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	293.11	794.39	637.21	982.87
	30-39	357.33	878.62	710.14	1,136.22
	40-49	497.11	1,016.47	767.92	1,302.44
	50-54	674.64	1,391.20	911.86	1,540.02
	55-59	836.68	1,731.14	1,065.19	1,888.28
	60-64	1,091.67	2,170.45	1,318.28	2,369.91
	65-99	1,342.47	2,989.37	1,573.28	3,080.04
	65-99 **	647.82	2,294.73	878.63	2,385.39

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.46	785.85	630.47	972.74
	30-39	353.51	869.16	702.51	1,123.59
	40-49	490.86	1,004.26	761.08	1,287.97
	50-54	666.51	1,375.78	900.67	1,522.14
	55-59	828.63	1,711.30	1,053.80	1,866.65
	60-64	1,078.57	2,148.11	1,303.73	2,344.02
	65-99	1,328.49	2,956.47	1,555.92	3,046.52
	65-99 **	639.49	2,267.47	866.92	2,357.52

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	299.61	812.58	651.42	1,005.51
	30-39	365.43	898.83	726.33	1,162.11
	40-49	508.43	1,039.55	785.33	1,332.35
	50-54	690.02	1,423.14	932.86	1,575.21
	55-59	855.70	1,770.42	1,089.46	1,931.55
	60-64	1,116.73	2,219.83	1,348.24	2,424.11
	65-99	1,373.20	3,057.37	1,609.28	3,150.42
	65-99 **	662.77	2,346.94	898.84	2,439.98

** Medicare Secondary Rate

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/10
Plan: PPO 4000 (03PA)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	252.85	683.35	549.61	846.34
	30-39	307.19	756.50	612.29	978.02
	40-49	428.42	875.61	662.46	1,120.10
	50-54	580.94	1,197.43	783.67	1,324.93
	55-59	720.97	1,490.00	917.41	1,625.84
	60-64	940.38	1,868.26	1,134.74	2,039.61
	65-99	1,155.63	2,572.51	1,354.19	2,651.89
	65-99 **	557.98	1,974.85	756.53	2,054.23

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	267.41	723.05	580.43	894.39
	30-39	325.28	799.57	646.50	1,034.05
	40-49	452.12	924.94	699.76	1,185.06
	50-54	613.93	1,265.64	828.65	1,401.25
	55-59	761.11	1,574.94	969.44	1,718.07
	60-64	993.01	1,975.64	1,199.90	2,155.37
	65-99	1,221.45	2,719.54	1,430.87	2,803.04
	65-99 **	589.21	2,087.31	798.63	2,170.81

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	245.83	665.56	534.46	823.11
	30-39	299.77	735.69	595.32	952.12
	40-49	416.57	851.48	644.10	1,090.41
	50-54	564.92	1,164.65	763.06	1,289.56
	55-59	701.07	1,449.96	892.24	1,582.01
	60-64	914.40	1,817.86	1,104.58	1,984.42
	65-99	1,124.69	2,503.72	1,317.86	2,580.03
	65-99 **	542.47	1,921.50	735.65	1,997.82

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	269.86	731.91	586.74	905.68
	30-39	329.14	809.59	654.22	1,046.73
	40-49	457.96	936.34	707.36	1,200.06
	50-54	621.52	1,281.84	840.25	1,418.82
	55-59	770.75	1,594.64	981.30	1,739.77
	60-64	1,005.85	1,999.43	1,214.38	2,183.44
	65-99	1,236.87	2,753.82	1,449.50	2,837.63
	65-99 **	596.96	2,113.92	809.60	2,197.73

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.98	788.01	632.96	974.91
	30-39	354.71	870.85	705.19	1,127.87
	40-49	492.76	1,008.93	762.52	1,291.41
	50-54	669.07	1,380.62	904.83	1,527.18
	55-59	830.50	1,718.35	1,057.77	1,873.38
	60-64	1,083.25	2,153.77	1,308.39	2,351.29
	65-99	1,331.77	2,965.14	1,561.16	3,056.47
	65-99 **	641.46	2,274.82	870.84	2,366.16

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	257.95	698.93	561.13	864.04
	30-39	315.22	772.95	624.90	1,000.08
	40-49	437.16	893.42	676.30	1,144.61
	50-54	593.73	1,223.05	802.07	1,354.65
	55-59	736.24	1,522.43	938.07	1,660.21
	60-64	960.70	1,909.62	1,160.76	2,084.74
	65-99	1,181.31	2,629.39	1,383.76	2,709.61

65-99 **	569.07	2,017.15	771.52	2,097.37
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Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	210.02	570.65	457.72	705.40
	30-39	257.60	630.12	509.24	816.35
	40-49	356.66	729.19	550.85	935.24
	50-54	483.48	998.66	653.88	1,105.63
	55-59	600.38	1,242.38	764.84	1,355.33
	60-64	782.69	1,557.43	947.13	1,700.08
	65-99	962.99	2,145.93	1,129.45	2,211.32
	65-99 **	463.67	1,646.59	630.12	1,712.00

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	264.01	715.51	573.94	885.30
	30-39	321.85	791.39	639.63	1,023.40
	40-49	447.75	915.55	691.67	1,173.12
	50-54	607.66	1,253.07	821.33	1,387.13
	55-59	753.61	1,559.26	959.44	1,700.81
	60-64	983.28	1,954.95	1,187.40	2,134.62
	65-99	1,209.18	2,692.57	1,417.08	2,774.23
	65-99 **	583.51	2,066.90	791.39	2,148.55

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	261.62	707.83	567.87	876.16
	30-39	318.42	782.86	632.77	1,012.03
	40-49	442.12	904.55	685.52	1,160.10
	50-54	600.34	1,239.18	811.25	1,371.01
	55-59	746.35	1,541.39	949.17	1,681.31
	60-64	971.48	1,934.83	1,174.29	2,111.29
	65-99	1,196.59	2,662.94	1,401.44	2,744.05
	65-99 **	575.99	2,042.34	780.86	2,123.46

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	269.86	731.91	586.74	905.68
	30-39	329.14	809.59	654.22	1,046.73
	40-49	457.96	936.34	707.36	1,200.06
	50-54	621.52	1,281.84	840.25	1,418.82
	55-59	770.75	1,594.64	981.30	1,739.77
	60-64	1,005.85	1,999.43	1,214.38	2,183.44
	65-99	1,236.87	2,753.82	1,449.50	2,837.63
	65-99 **	596.96	2,113.92	809.60	2,197.73

** Medicare Secondary Rate

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/10
Plan: HSA 1800 (80/50) (03PB)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	300.47	818.59	656.26	1,008.52
	30-39	366.11	901.49	728.77	1,167.42
	40-49	511.20	1,043.06	790.94	1,336.66
	50-54	694.23	1,429.91	936.00	1,581.89
	55-59	860.00	1,778.74	1,094.89	1,941.09
	60-64	1,122.52	2,231.22	1,357.37	2,434.98
	65-99	1,378.10	3,070.51	1,616.44	3,163.77
	65-99 **	666.59	2,358.98	904.93	2,452.25

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	310.17	841.20	674.70	1,038.58
	30-39	378.53	927.83	750.02	1,200.43
	40-49	525.43	1,073.78	812.67	1,375.65
	50-54	712.48	1,470.12	961.93	1,627.71
	55-59	884.34	1,829.37	1,125.83	1,995.54
	60-64	1,154.36	2,294.43	1,395.13	2,504.07
	65-99	1,418.07	3,158.55	1,662.16	3,255.39
	65-99 **	683.95	2,424.43	928.04	2,521.27

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	288.31	780.72	626.08	963.70
	30-39	351.17	861.71	696.91	1,114.91
	40-49	487.64	996.79	754.36	1,277.08
	50-54	661.81	1,364.27	892.83	1,510.75
	55-59	820.59	1,698.46	1,044.83	1,851.87
	60-64	1,071.16	2,130.03	1,294.67	2,324.54
	65-99	1,316.24	2,932.31	1,543.09	3,021.49
	65-99 **	635.45	2,251.52	862.32	2,340.71

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	324.39	875.16	702.79	1,081.25
	30-39	391.94	966.37	780.54	1,250.21
	40-49	547.38	1,118.43	844.71	1,432.66
	50-54	739.98	1,530.62	1,003.54	1,692.83
	55-59	919.07	1,902.33	1,172.50	2,074.65
	60-64	1,199.51	2,388.91	1,449.57	2,605.15
	65-99	1,476.58	3,287.68	1,730.02	3,389.04
	65-99 **	712.94	2,524.04	966.38	2,625.41

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	347.51	940.81	754.75	1,165.49
	30-39	424.75	1,039.08	842.52	1,348.06
	40-49	589.78	1,204.11	909.24	1,541.11
	50-54	796.90	1,646.40	1,077.71	1,825.45
	55-59	989.95	2,050.14	1,263.77	2,236.19
	60-64	1,291.85	2,573.19	1,562.17	2,808.37
	65-99	1,590.25	3,542.09	1,864.08	3,647.44
	65-99 **	765.29	2,717.13	1,039.13	2,822.47

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	310.83	837.94	673.57	1,037.17
	30-39	377.17	926.51	749.39	1,198.88
	40-49	523.72	1,071.25	810.67	1,372.57
	50-54	711.06	1,467.23	961.34	1,625.55
	55-59	882.22	1,824.76	1,123.88	1,991.70
	60-64	1,150.36	2,289.78	1,392.25	2,499.15
	65-99	1,416.16	3,152.34	1,659.64	3,247.72

65-99 **	681.22	2,417.39	924.70	2,512.78
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Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	252.17	681.16	546.91	841.64
	30-39	307.83	753.22	609.12	972.63
	40-49	425.73	871.13	658.26	1,116.76
	50-54	576.38	1,192.04	779.43	1,319.79
	55-59	717.22	1,483.51	913.71	1,617.80
	60-64	936.62	1,860.16	1,129.84	2,030.44
	65-99	1,149.51	2,560.98	1,345.97	2,639.55
	65-99 **	553.49	1,964.96	749.94	2,043.52

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	315.24	850.03	682.95	1,050.73
	30-39	381.20	938.93	758.42	1,215.09
	40-49	531.43	1,086.44	821.03	1,392.21
	50-54	719.34	1,487.17	975.30	1,645.46
	55-59	893.12	1,848.88	1,139.64	2,016.59
	60-64	1,165.91	2,321.06	1,409.06	2,531.85
	65-99	1,434.65	3,194.63	1,681.17	3,292.96
	65-99 **	692.40	2,452.39	938.94	2,550.72

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	311.73	844.66	677.07	1,045.78
	30-39	382.11	935.17	754.17	1,210.01
	40-49	529.61	1,079.28	817.83	1,384.32
	50-54	717.30	1,478.19	968.69	1,639.06
	55-59	891.57	1,840.14	1,132.92	2,007.77
	60-64	1,159.76	2,309.41	1,404.42	2,520.59
	65-99	1,427.89	3,177.54	1,672.56	3,274.72
	65-99 **	687.12	2,436.77	931.79	2,533.95

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	324.39	875.16	702.79	1,081.25
	30-39	391.94	966.37	780.54	1,250.21
	40-49	547.38	1,118.43	844.71	1,432.66
	50-54	739.98	1,530.62	1,003.54	1,692.83
	55-59	919.07	1,902.33	1,172.50	2,074.65
	60-64	1,199.51	2,388.91	1,449.57	2,605.15
	65-99	1,476.58	3,287.68	1,730.02	3,389.04
	65-99 **	712.94	2,524.04	966.38	2,625.41

** Medicare Secondary Rate

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/10
Plan: HSA 2500 (80/50) (03PC)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	250.73	683.03	547.59	841.53
	30-39	305.49	752.19	608.10	974.09
	40-49	426.55	870.34	659.97	1,115.31
	50-54	579.28	1,193.14	780.99	1,319.92
	55-59	717.58	1,484.21	913.55	1,619.64
	60-64	936.62	1,861.73	1,132.62	2,031.75
	65-99	1,149.92	2,562.04	1,348.75	2,639.86
	65-99 **	556.23	1,968.35	755.06	2,046.17

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	259.30	702.45	563.35	867.47
	30-39	316.26	775.03	626.59	1,002.80
	40-49	438.72	896.86	678.62	1,148.87
	50-54	595.09	1,227.51	803.24	1,359.39
	55-59	738.35	1,527.86	939.96	1,666.22
	60-64	963.77	1,916.18	1,164.97	2,091.20
	65-99	1,184.38	2,638.02	1,388.34	2,718.77
	65-99 **	571.27	2,024.91	775.23	2,105.66

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	240.18	650.56	521.73	802.98
	30-39	292.59	717.99	580.66	928.95
	40-49	406.33	830.56	628.61	1,064.15
	50-54	551.45	1,136.88	743.98	1,258.84
	55-59	683.81	1,415.27	870.68	1,543.20
	60-64	892.63	1,774.87	1,078.84	1,936.99
	65-99	1,096.75	2,443.34	1,285.74	2,517.69
	65-99 **	529.49	1,876.07	718.47	1,950.42

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	270.69	730.25	586.46	902.22
	30-39	327.06	806.36	651.30	1,043.18
	40-49	456.74	933.26	704.88	1,195.47
	50-54	617.46	1,277.21	837.38	1,412.54
	55-59	766.89	1,587.35	978.35	1,731.19
	60-64	1,000.90	1,993.39	1,209.57	2,173.82
	65-99	1,232.12	2,743.36	1,443.58	2,827.91
	65-99 **	594.90	2,106.15	806.36	2,190.70

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.03	785.10	629.83	972.58
	30-39	354.47	867.11	703.07	1,124.93
	40-49	492.15	1,004.79	758.74	1,286.02
	50-54	664.97	1,373.90	899.32	1,523.31
	55-59	826.09	1,710.77	1,054.59	1,866.05
	60-64	1,078.05	2,147.26	1,303.59	2,343.55
	65-99	1,327.02	2,955.80	1,555.52	3,043.70
	65-99 **	638.62	2,267.39	867.12	2,355.30

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	257.37	693.69	557.68	858.62
	30-39	312.25	767.05	620.33	992.50
	40-49	433.50	886.81	671.17	1,136.38
	50-54	588.71	1,214.69	795.95	1,345.75
	55-59	730.38	1,510.66	930.45	1,648.91
	60-64	952.39	1,895.56	1,152.65	2,068.96
	65-99	1,172.35	2,609.66	1,373.94	2,688.69

65-99 **	563.95	2,001.27	765.54	2,080.30
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Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	210.44	568.47	456.40	702.37
	30-39	256.89	628.60	508.33	811.69
	40-49	355.28	726.96	549.34	931.96
	50-54	481.00	994.84	650.45	1,101.41
	55-59	598.53	1,238.05	762.53	1,350.13
	60-64	781.62	1,552.38	942.89	1,694.48
	65-99	959.30	2,137.21	1,123.28	2,202.81
	65-99 **	461.85	1,639.77	625.83	1,705.37

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	260.36	701.93	564.09	867.83
	30-39	314.96	775.42	626.36	1,003.60
	40-49	438.78	897.20	678.18	1,149.88
	50-54	594.20	1,228.23	805.53	1,359.16
	55-59	737.65	1,527.10	941.33	1,665.72
	60-64	963.02	1,916.90	1,163.91	2,091.21
	65-99	1,184.85	2,638.46	1,388.53	2,719.61
	65-99 **	571.75	2,025.36	775.43	2,106.52

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	260.33	705.48	565.51	873.45
	30-39	319.12	781.10	629.89	1,010.64
	40-49	442.33	901.45	683.05	1,156.22
	50-54	599.11	1,234.59	809.08	1,368.97
	55-59	744.66	1,536.95	946.24	1,676.94
	60-64	968.65	1,928.89	1,173.02	2,105.26
	65-99	1,192.61	2,653.96	1,397.00	2,735.16
	65-99 **	573.91	2,035.26	778.30	2,116.45

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	270.69	730.25	586.46	902.22
	30-39	327.06	806.36	651.30	1,043.18
	40-49	456.74	933.26	704.88	1,195.47
	50-54	617.46	1,277.21	837.38	1,412.54
	55-59	766.89	1,587.35	978.35	1,731.19
	60-64	1,000.90	1,993.39	1,209.57	2,173.82
	65-99	1,232.12	2,743.36	1,443.58	2,827.91
	65-99 **	594.90	2,106.15	806.36	2,190.70

** Medicare Secondary Rate

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**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PP0 750 (03P7)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	734.76	1,988.91	1,596.20	2,457.65
	30-39	895.24	2,195.81	1,777.78	2,841.94
	40-49	1,241.48	2,542.11	1,921.34	3,255.74
	50-54	1,684.87	3,479.54	2,280.29	3,851.12
	55-59	2,094.51	4,328.33	2,664.58	4,721.01
	60-64	2,727.89	5,430.46	3,297.94	5,924.48
	65-99	3,357.11	7,474.26	3,931.41	7,702.28
	65-99 **	1,617.31	5,734.48	2,191.61	5,962.47

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	705.94	1,912.87	1,533.32	2,363.16
	30-39	860.07	2,112.67	1,707.56	2,733.47
	40-49	1,194.52	2,444.71	1,847.68	3,130.82
	50-54	1,620.93	3,344.69	2,192.12	3,702.42
	55-59	2,012.55	4,161.52	2,562.85	4,539.06
	60-64	2,624.58	5,221.73	3,172.71	5,697.29
	65-99	3,226.87	7,187.38	3,780.80	7,406.84
	65-99 **	1,555.59	5,516.11	2,109.53	5,735.59

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	575.84	1,558.67	1,250.67	1,927.20
	30-39	701.32	1,721.74	1,393.09	2,228.39
	40-49	974.26	1,993.02	1,506.69	2,552.59
	50-54	1,321.54	2,727.54	1,786.56	3,019.20
	55-59	1,641.38	3,392.93	2,089.34	3,700.86
	60-64	2,138.87	4,257.99	2,585.85	4,645.27
	65-99	2,631.91	5,860.05	3,083.25	6,038.44
	65-99 **	1,268.64	4,496.78	1,719.98	4,675.15

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	642.76	1,742.18	1,397.15	2,154.89
	30-39	784.82	1,924.85	1,556.09	2,489.82
	40-49	1,089.29	2,226.00	1,684.69	2,855.15
	50-54	1,478.31	3,047.99	1,995.91	3,376.14
	55-59	1,833.56	3,792.22	2,334.21	4,137.29
	60-64	2,391.69	4,759.72	2,892.38	5,192.73
	65-99	2,943.12	6,549.28	3,447.16	6,748.88
	65-99 **	1,417.42	5,023.59	1,921.48	5,223.19

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	706.65	1,915.45	1,535.26	2,367.41
	30-39	860.85	2,116.31	1,711.02	2,736.84
	40-49	1,198.08	2,449.94	1,850.87	3,138.60
	50-54	1,624.94	3,350.26	2,195.22	3,708.94
	55-59	2,015.91	4,171.67	2,568.28	4,548.32
	60-64	2,629.22	5,229.84	3,178.07	5,706.89
	65-99	3,235.48	7,202.67	3,787.85	7,421.52
	65-99 **	1,560.32	5,527.51	2,112.66	5,746.33

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	572.44	1,550.15	1,242.75	1,915.28
	30-39	696.48	1,712.15	1,384.96	2,214.08
	40-49	969.13	1,980.06	1,498.80	2,538.09
	50-54	1,312.92	2,709.65	1,776.26	2,999.87
	55-59	1,629.88	3,373.59	2,077.25	3,678.79
	60-64	2,126.41	4,231.42	2,570.60	4,616.34
	65-99	2,615.61	5,823.99	3,065.53	6,001.96
	65-99 **	1,261.54	4,469.94	1,711.47	4,647.92

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	522.39	1,413.58	1,133.58	1,748.13
	30-39	635.06	1,560.35	1,263.34	2,021.29
	40-49	884.31	1,806.22	1,365.73	2,314.92
	50-54	1,198.42	2,471.96	1,618.40	2,738.33
	55-59	1,488.66	3,076.29	1,894.94	3,356.29
	60-64	1,939.34	3,861.61	2,345.65	4,213.31
	65-99	2,386.64	5,316.16	2,796.32	5,476.60
	65-99 **	1,150.65	4,080.15	1,560.34	4,240.62

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	575.11	1,558.79	1,250.09	1,928.06
	30-39	702.20	1,722.24	1,392.31	2,227.74
	40-49	974.64	1,991.68	1,507.35	2,554.61
	50-54	1,322.69	2,727.15	1,785.81	3,020.76
	55-59	1,640.56	3,393.04	2,088.51	3,701.79
	60-64	2,139.94	4,258.68	2,587.92	4,646.13
	65-99	2,633.32	5,859.88	3,084.32	6,038.48
	65-99 **	1,268.22	4,494.80	1,719.22	4,673.39

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	560.51	1,512.76	1,214.44	1,871.39
	30-39	681.05	1,672.48	1,353.05	2,163.69
	40-49	946.24	1,934.67	1,464.52	2,477.07
	50-54	1,283.73	2,645.84	1,732.76	2,929.09
	55-59	1,591.11	3,293.73	2,028.08	3,592.07
	60-64	2,076.24	4,131.47	2,510.22	4,508.16
	65-99	2,555.45	5,689.45	2,992.38	5,861.22
	65-99 **	1,232.52	4,366.51	1,669.45	4,538.29

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	642.76	1,742.18	1,397.15	2,154.89
	30-39	784.82	1,924.85	1,556.09	2,489.82
	40-49	1,089.29	2,226.00	1,684.69	2,855.15
	50-54	1,478.31	3,047.99	1,995.91	3,376.14
	55-59	1,833.56	3,792.22	2,334.21	4,137.29
	60-64	2,391.69	4,759.72	2,892.38	5,192.73
	65-99	2,943.12	6,549.28	3,447.16	6,748.88
	65-99 **	1,417.42	5,023.59	1,921.48	5,223.19

ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS

RATES EFFECTIVE 7/01/11

Plan: PPO 1000 \$40 (03P8)

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	497.94	1,352.01	1,083.94	1,669.94
	30-39	609.00	1,493.75	1,206.52	1,930.39
	40-49	842.62	1,727.38	1,306.07	2,213.84
	50-54	1,145.22	2,363.19	1,547.36	2,615.99
	55-59	1,421.02	2,941.53	1,811.64	3,205.82
	60-64	1,853.79	3,688.38	2,240.62	4,025.45
	65-99	2,278.94	5,078.71	2,669.61	5,231.92
	65-99 **	1,099.22	3,899.01	1,489.87	4,052.22

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	475.22	1,287.74	1,033.24	1,591.27
	30-39	579.66	1,423.36	1,150.62	1,841.81
	40-49	805.62	1,646.59	1,245.35	2,108.87
	50-54	1,091.93	2,252.19	1,476.24	2,494.56
	55-59	1,355.51	2,804.87	1,726.89	3,057.82
	60-64	1,768.68	3,516.75	2,137.16	3,838.09
	65-99	2,173.27	4,841.99	2,546.98	4,989.65
	65-99 **	1,047.69	3,716.41	1,421.39	3,864.08

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	390.93	1,060.62	850.52	1,310.08
	30-39	477.86	1,172.01	946.65	1,515.55
	40-49	662.35	1,355.09	1,024.80	1,736.85
	50-54	898.59	1,853.94	1,214.99	2,053.28
	55-59	1,115.84	2,308.84	1,421.47	2,516.32
	60-64	1,455.66	2,895.00	1,758.87	3,159.33
	65-99	1,788.99	3,985.81	2,095.64	4,106.98
	65-99 **	862.32	3,059.15	1,168.99	3,180.32

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	438.52	1,183.74	947.58	1,462.76
	30-39	533.60	1,306.40	1,057.99	1,689.75
	40-49	739.07	1,511.87	1,143.88	1,938.13
	50-54	1,002.80	2,070.04	1,355.48	2,290.79
	55-59	1,245.06	2,576.01	1,585.46	2,809.02
	60-64	1,625.34	3,229.18	1,962.66	3,526.68
	65-99	1,996.38	4,446.64	2,339.87	4,581.56
	65-99 **	962.92	3,413.20	1,306.40	3,548.12

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	481.71	1,301.89	1,044.79	1,607.84
	30-39	585.88	1,438.60	1,161.96	1,861.72
	40-49	813.68	1,663.19	1,259.56	2,131.91
	50-54	1,103.36	2,275.08	1,490.68	2,522.45
	55-59	1,370.24	2,834.89	1,744.55	3,092.02
	60-64	1,786.88	3,554.24	2,161.14	3,879.68
	65-99	2,196.99	4,891.93	2,574.52	5,041.62
	65-99 **	1,061.06	3,756.00	1,438.60	3,905.71

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	390.85	1,056.66	847.87	1,304.89
	30-39	475.11	1,166.78	943.68	1,509.92
	40-49	660.05	1,350.08	1,021.25	1,730.27
	50-54	895.94	1,847.40	1,209.99	2,046.31
	55-59	1,111.27	2,300.27	1,414.99	2,508.19
	60-64	1,449.53	2,884.74	1,753.25	3,148.14
	65-99	1,782.88	3,971.41	2,089.49	4,093.07
	65-99 **	860.18	3,048.71	1,166.76	3,170.36

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	353.64	953.33	765.74	1,177.84
	30-39	430.52	1,054.79	851.84	1,362.29
	40-49	596.60	1,217.75	922.58	1,562.21
	50-54	808.76	1,666.76	1,091.71	1,845.11
	55-59	1,002.54	2,075.80	1,279.29	2,263.36
	60-64	1,310.05	2,604.71	1,580.68	2,841.51
	65-99	1,608.32	3,585.72	1,885.09	3,693.35
	65-99 **	774.94	2,752.34	1,051.72	2,859.99

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	383.45	1,035.33	828.95	1,279.08
	30-39	466.53	1,142.59	925.29	1,477.68
	40-49	646.40	1,321.99	1,000.19	1,694.94
	50-54	876.92	1,810.02	1,185.51	2,003.52
	55-59	1,088.72	2,252.78	1,386.35	2,456.35
	60-64	1,421.07	2,824.27	1,716.39	3,084.05
	65-99	1,746.05	3,888.80	2,046.42	4,007.02
	65-99 **	842.19	2,984.96	1,142.59	3,103.19

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	379.19	1,025.69	823.82	1,268.48
	30-39	461.00	1,132.11	916.60	1,464.89
	40-49	641.07	1,312.15	992.98	1,680.42
	50-54	870.22	1,794.98	1,175.74	1,985.93
	55-59	1,080.26	2,234.19	1,374.89	2,436.05
	60-64	1,407.62	2,801.56	1,702.24	3,058.01
	65-99	1,732.24	3,857.32	2,029.60	3,974.60
	65-99 **	834.74	2,959.82	1,132.11	3,077.11

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	438.52	1,183.74	947.58	1,462.76
	30-39	533.60	1,306.40	1,057.99	1,689.75
	40-49	739.07	1,511.87	1,143.88	1,938.13
	50-54	1,002.80	2,070.04	1,355.48	2,290.79
	55-59	1,245.06	2,576.01	1,585.46	2,809.02
	60-64	1,625.34	3,229.18	1,962.66	3,526.68
	65-99	1,996.38	4,446.64	2,339.87	4,581.56
	65-99 **	962.92	3,413.20	1,306.40	3,548.12

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PPO 3000 (03P9)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	343.60	928.64	746.88	1,150.12
	30-39	417.45	1,028.01	832.05	1,329.06
	40-49	582.19	1,189.88	900.22	1,522.13
	50-54	789.47	1,627.22	1,064.95	1,800.49
	55-59	979.75	2,024.79	1,246.68	2,209.38
	60-64	1,277.91	2,538.79	1,542.04	2,771.66
	65-99	1,570.41	3,495.82	1,840.24	3,603.72
	65-99 **	758.25	2,683.66	1,028.06	2,791.56

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	308.89	835.19	670.46	1,033.08
	30-39	375.73	923.56	746.76	1,194.42
	40-49	522.24	1,068.39	808.28	1,368.86
	50-54	709.14	1,461.93	957.14	1,618.58
	55-59	879.15	1,819.20	1,119.79	1,984.53
	60-64	1,147.00	2,282.02	1,385.99	2,489.64
	65-99	1,410.87	3,141.31	1,652.78	3,237.74
	65-99 **	680.59	2,411.01	922.47	2,507.46

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	267.25	723.56	581.04	894.84
	30-39	325.87	799.79	647.21	1,035.08
	40-49	452.87	925.68	700.24	1,185.42
	50-54	614.15	1,266.13	829.55	1,401.93
	55-59	762.16	1,576.31	969.99	1,719.86
	60-64	994.07	1,976.26	1,200.81	2,157.33
	65-99	1,222.69	2,721.88	1,432.71	2,804.86
	65-99 **	589.73	2,088.94	799.75	2,171.91

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.33	787.39	631.22	974.34
	30-39	354.11	870.98	703.81	1,126.08
	40-49	492.67	1,007.33	760.98	1,291.06
	50-54	668.62	1,379.02	903.94	1,526.38
	55-59	829.18	1,715.54	1,055.68	1,871.67
	60-64	1,082.12	2,151.02	1,306.44	2,348.96
	65-99	1,330.64	2,962.59	1,559.40	3,052.76
	65-99 **	642.21	2,274.19	870.98	2,364.34

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	309.74	838.82	673.79	1,037.78
	30-39	377.60	927.00	750.66	1,200.59
	40-49	524.53	1,073.99	811.69	1,374.69
	50-54	712.22	1,469.65	963.18	1,625.65
	55-59	884.05	1,829.15	1,125.99	1,994.21
	60-64	1,153.11	2,292.66	1,392.76	2,502.92
	65-99	1,417.65	3,156.35	1,661.84	3,253.58
	65-99 **	682.82	2,421.53	927.00	2,518.73

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	262.91	712.33	571.89	880.64
	30-39	321.26	787.80	636.87	1,019.26
	40-49	445.55	910.58	689.27	1,166.56
	50-54	605.12	1,246.53	817.46	1,380.64
	55-59	750.38	1,551.64	956.06	1,692.07
	60-64	979.13	1,946.27	1,183.04	2,124.74
	65-99	1,203.98	2,679.85	1,410.33	2,761.62
	65-99 **	580.00	2,055.85	786.33	2,137.62

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	233.08	633.32	507.96	782.86
	30-39	285.88	699.28	565.14	905.96
	40-49	395.82	809.25	611.32	1,037.93
	50-54	536.55	1,108.31	725.66	1,227.02
	55-59	666.31	1,378.78	848.81	1,504.13
	60-64	868.62	1,728.42	1,051.11	1,886.73
	65-99	1,068.69	2,381.52	1,253.45	2,454.09
	65-99 **	514.56	1,827.38	699.31	1,899.96

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	269.07	729.25	584.96	902.28
	30-39	328.04	806.58	651.92	1,043.05
	40-49	456.35	933.12	704.95	1,195.64
	50-54	619.32	1,277.13	837.08	1,413.74
	55-59	768.07	1,589.19	977.85	1,733.45
	60-64	1,002.15	1,992.47	1,210.19	2,175.58
	65-99	1,232.39	2,744.24	1,444.27	2,827.47
	65-99 **	594.71	2,106.56	806.59	2,189.79

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	266.64	721.40	578.78	892.98
	30-39	324.52	797.89	644.91	1,031.46
	40-49	450.61	921.92	698.67	1,182.35
	50-54	611.86	1,262.96	826.81	1,397.33
	55-59	760.69	1,570.98	967.39	1,713.59
	60-64	990.12	1,971.96	1,196.82	2,151.81
	65-99	1,219.56	2,714.04	1,428.34	2,796.71
	65-99 **	587.05	2,081.54	795.82	2,164.20

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	290.33	787.39	631.22	974.34
	30-39	354.11	870.98	703.81	1,126.08
	40-49	492.67	1,007.33	760.98	1,291.06
	50-54	668.62	1,379.02	903.94	1,526.38
	55-59	829.18	1,715.54	1,055.68	1,871.67
	60-64	1,082.12	2,151.02	1,306.44	2,348.96
	65-99	1,330.64	2,962.59	1,559.40	3,052.76
	65-99 **	642.21	2,274.19	870.98	2,364.34

**ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS
RATES EFFECTIVE 7/01/11
Plan: PPO 4000 (03PA)**

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	293.31	792.69	637.55	981.75
	30-39	356.34	877.54	710.26	1,134.51
	40-49	496.98	1,015.71	768.45	1,299.32
	50-54	673.89	1,389.02	909.06	1,536.92
	55-59	836.32	1,728.40	1,064.20	1,885.96
	60-64	1,090.84	2,167.18	1,316.29	2,365.95
	65-99	1,340.54	2,984.11	1,570.86	3,076.20
	65-99 **	647.25	2,290.82	877.58	2,382.92

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	259.39	701.35	563.02	867.55
	30-39	315.53	775.58	627.11	1,003.02
	40-49	438.55	897.19	678.78	1,149.51
	50-54	595.51	1,227.67	803.79	1,359.21
	55-59	738.27	1,527.69	940.35	1,666.53
	60-64	963.22	1,916.36	1,163.91	2,090.71
	65-99	1,184.80	2,637.95	1,387.94	2,718.94
	65-99 **	571.54	2,024.68	774.67	2,105.68

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	226.16	612.32	491.71	757.26
	30-39	275.79	676.84	547.69	875.95
	40-49	383.24	783.36	592.58	1,003.18
	50-54	519.73	1,071.47	702.01	1,186.40
	55-59	644.99	1,333.96	820.86	1,455.45
	60-64	841.25	1,672.44	1,016.21	1,825.67
	65-99	1,034.72	2,303.42	1,212.44	2,373.64
	65-99 **	499.07	1,767.79	676.80	1,838.00

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	245.58	666.04	533.93	824.18
	30-39	299.52	736.73	595.34	952.53
	40-49	416.75	852.07	643.71	1,092.06
	50-54	565.58	1,166.47	764.62	1,291.13
	55-59	701.39	1,451.12	892.99	1,583.19
	60-64	915.32	1,819.48	1,105.08	1,986.93
	65-99	1,125.55	2,505.98	1,319.05	2,582.25
	65-99 **	543.24	1,923.67	736.74	1,999.93

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	261.88	709.21	569.67	877.41
	30-39	319.24	783.76	634.67	1,015.08
	40-49	443.49	908.04	686.27	1,162.27
	50-54	602.16	1,242.56	814.35	1,374.46
	55-59	747.46	1,546.52	951.99	1,686.04
	60-64	974.92	1,938.39	1,177.55	2,116.16
	65-99	1,198.59	2,668.62	1,405.05	2,750.82
	65-99 **	577.32	2,047.34	783.75	2,129.55

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	227.00	615.06	493.79	760.35
	30-39	277.40	680.20	549.92	880.07
	40-49	384.71	786.21	595.15	1,007.26
	50-54	522.48	1,076.28	705.82	1,192.09
	55-59	647.88	1,339.74	825.51	1,460.99
	60-64	845.42	1,680.47	1,021.47	1,834.58
	65-99	1,039.55	2,313.86	1,217.72	2,384.46
	65-99 **	500.78	1,775.09	678.94	1,845.68

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	194.27	527.85	423.39	652.49
	30-39	238.28	582.86	471.05	755.13
	40-49	329.91	674.49	509.53	865.09
	50-54	447.22	923.76	604.85	1,022.72
	55-59	555.35	1,149.20	707.47	1,253.68
	60-64	723.99	1,440.62	876.09	1,572.58
	65-99	890.76	1,984.99	1,044.74	2,045.47
	65-99 **	428.89	1,523.09	582.86	1,583.60

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	224.41	608.18	487.85	752.51
	30-39	273.56	672.68	543.69	869.89
	40-49	380.59	778.22	587.92	997.15
	50-54	516.51	1,065.11	698.13	1,179.06
	55-59	640.56	1,325.36	815.52	1,445.69
	60-64	835.79	1,661.71	1,009.29	1,814.44
	65-99	1,027.80	2,288.68	1,204.52	2,358.11
	65-99 **	495.98	1,756.87	672.68	1,826.27

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	222.38	601.66	482.69	744.74
	30-39	270.66	665.44	537.85	860.24
	40-49	375.80	768.87	582.69	986.09
	50-54	510.29	1,053.31	689.56	1,165.36
	55-59	634.40	1,310.18	806.79	1,429.11
	60-64	825.76	1,644.61	998.15	1,794.60
	65-99	1,017.11	2,263.51	1,191.22	2,332.44
	65-99 **	489.59	1,735.99	663.73	1,804.94

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	245.58	666.04	533.93	824.18
	30-39	299.52	736.73	595.34	952.53
	40-49	416.75	852.07	643.71	1,092.06
	50-54	565.58	1,166.47	764.62	1,291.13
	55-59	701.39	1,451.12	892.99	1,583.19
	60-64	915.32	1,819.48	1,105.08	1,986.93
	65-99	1,125.55	2,505.98	1,319.05	2,582.25
	65-99 **	543.24	1,923.67	736.74	1,999.93

ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS

RATES EFFECTIVE 7/01/11

Plan: HSA 1800 (80/50) (03PB)

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	421.08	1,147.16	919.68	1,413.33
	30-39	513.06	1,263.35	1,021.29	1,636.02
	40-49	716.40	1,461.74	1,108.42	1,873.20
	50-54	972.91	2,003.87	1,311.71	2,216.86
	55-59	1,205.20	2,492.73	1,534.39	2,720.25
	60-64	1,573.09	3,126.84	1,902.21	3,412.38
	65-99	1,931.28	4,303.01	2,265.27	4,433.69
	65-99 **	934.15	3,305.87	1,268.18	3,436.58

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	385.52	1,045.55	838.62	1,290.88
	30-39	470.49	1,153.24	932.22	1,492.07
	40-49	653.08	1,334.62	1,010.09	1,709.84
	50-54	885.58	1,827.26	1,195.61	2,023.13
	55-59	1,099.18	2,273.78	1,399.33	2,480.33
	60-64	1,434.80	2,851.84	1,734.06	3,112.39
	65-99	1,762.56	3,925.87	2,065.95	4,046.22
	65-99 **	850.11	3,013.41	1,153.48	3,133.78

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	332.54	900.52	722.15	1,111.60
	30-39	405.05	993.94	803.86	1,286.00
	40-49	562.46	1,149.75	870.13	1,473.07
	50-54	763.38	1,573.62	1,029.85	1,742.59
	55-59	946.52	1,959.11	1,205.18	2,136.06
	60-64	1,235.54	2,456.92	1,493.35	2,681.27
	65-99	1,518.24	3,382.29	1,779.89	3,485.18
	65-99 **	732.96	2,597.05	994.65	2,699.91

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	381.87	1,030.22	827.31	1,272.81
	30-39	461.39	1,137.58	918.84	1,471.73
	40-49	644.35	1,316.59	994.38	1,686.48
	50-54	871.08	1,801.81	1,181.35	1,992.76
	55-59	1,081.91	2,239.38	1,380.25	2,442.22
	60-64	1,412.02	2,812.16	1,706.40	3,066.72
	65-99	1,738.19	3,870.19	2,036.54	3,989.48
	65-99 **	839.26	2,971.24	1,137.60	3,090.58

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	413.94	1,120.69	899.05	1,388.33
	30-39	505.96	1,237.74	1,003.59	1,605.79
	40-49	702.54	1,434.32	1,083.07	1,835.74
	50-54	949.26	1,961.18	1,283.75	2,174.45
	55-59	1,179.22	2,442.12	1,505.39	2,663.73
	60-64	1,538.84	3,065.16	1,860.84	3,345.31
	65-99	1,894.28	4,219.31	2,220.48	4,344.79
	65-99 **	911.61	3,236.61	1,237.80	3,362.11

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	346.47	934.01	750.80	1,156.07
	30-39	420.41	1,032.74	835.31	1,336.34
	40-49	583.76	1,194.07	903.62	1,529.94
	50-54	792.59	1,635.45	1,071.55	1,811.93
	55-59	983.38	2,033.99	1,252.74	2,220.06
	60-64	1,282.26	2,552.29	1,551.87	2,785.69
	65-99	1,578.53	3,513.76	1,849.91	3,620.07
	65-99 **	759.33	2,694.54	1,030.72	2,800.87

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	307.72	831.22	667.39	1,027.05
	30-39	375.65	919.15	743.31	1,186.91
	40-49	519.52	1,063.04	803.27	1,362.78
	50-54	703.35	1,454.64	951.14	1,610.53
	55-59	875.22	1,810.32	1,115.00	1,974.20
	60-64	1,142.96	2,269.95	1,378.74	2,477.73
	65-99	1,402.73	3,125.15	1,642.48	3,221.04
	65-99 **	675.42	2,397.84	915.14	2,493.69

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	338.13	911.76	732.54	1,127.01
	30-39	408.88	1,007.11	813.49	1,303.33
	40-49	570.02	1,165.32	880.65	1,493.29
	50-54	771.56	1,595.15	1,046.12	1,764.94
	55-59	957.96	1,983.13	1,222.39	2,163.01
	60-64	1,250.55	2,489.60	1,511.36	2,715.68
	65-99	1,538.81	3,426.60	1,803.24	3,532.06
	65-99 **	742.68	2,630.46	1,007.12	2,735.93

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	334.02	905.07	725.51	1,120.59
	30-39	409.44	1,002.06	808.11	1,296.56
	40-49	567.49	1,156.49	876.34	1,483.34
	50-54	768.61	1,583.93	1,037.99	1,756.31
	55-59	955.34	1,971.78	1,213.95	2,151.39
	60-64	1,242.73	2,474.61	1,504.88	2,700.89
	65-99	1,530.04	3,404.84	1,792.21	3,508.96
	65-99 **	736.27	2,611.07	998.45	2,715.21

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	381.87	1,030.22	827.31	1,272.81
	30-39	461.39	1,137.58	918.84	1,471.73
	40-49	644.35	1,316.59	994.38	1,686.48
	50-54	871.08	1,801.81	1,181.35	1,992.76
	55-59	1,081.91	2,239.38	1,380.25	2,442.22
	60-64	1,412.02	2,812.16	1,706.40	3,066.72
	65-99	1,738.19	3,870.19	2,036.54	3,989.48
	65-99 **	839.26	2,971.24	1,137.60	3,090.58

ANTHEM BLUE CROSS LIFE & HEALTH PPO GROSS

RATES EFFECTIVE 7/01/11

Plan: HSA 2500 (80/50) (03PC)

Area: 1	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	351.38	957.20	767.40	1,179.32
	30-39	428.12	1,054.12	852.20	1,365.09
	40-49	597.76	1,219.69	924.87	1,562.99
	50-54	811.81	1,672.07	1,094.47	1,849.73
	55-59	1,005.61	2,079.96	1,280.26	2,269.76
	60-64	1,312.59	2,609.02	1,587.26	2,847.31
	65-99	1,611.49	3,590.44	1,890.14	3,699.49
	65-99 **	779.51	2,758.45	1,058.14	2,867.49

Area: 2	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	324.82	879.92	705.67	1,086.62
	30-39	396.15	970.84	784.88	1,256.15
	40-49	549.55	1,123.44	850.07	1,439.12
	50-54	745.44	1,537.62	1,006.16	1,702.82
	55-59	924.88	1,913.86	1,177.44	2,087.18
	60-64	1,207.25	2,400.27	1,459.28	2,619.52
	65-99	1,483.60	3,304.49	1,739.08	3,405.61
	65-99 **	715.59	2,536.47	971.08	2,637.62

Area: 3	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	272.12	737.07	591.12	909.75
	30-39	331.49	813.46	657.87	1,052.48
	40-49	460.35	941.00	712.20	1,205.66
	50-54	624.79	1,288.06	842.91	1,426.24
	55-59	774.74	1,603.47	986.46	1,748.41
	60-64	1,011.34	2,010.89	1,222.29	2,194.56
	65-99	1,242.59	2,768.26	1,456.72	2,852.49
	65-99 **	599.91	2,125.55	814.01	2,209.79

Area: 4	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	311.07	839.16	673.93	1,036.79
	30-39	375.85	926.64	748.45	1,198.76
	40-49	524.86	1,072.46	810.01	1,373.78
	50-54	709.55	1,467.71	962.27	1,623.21
	55-59	881.27	1,824.11	1,124.28	1,989.39
	60-64	1,150.19	2,290.69	1,389.98	2,498.05
	65-99	1,415.88	3,152.53	1,658.88	3,249.68
	65-99 **	683.64	2,420.28	926.64	2,517.45

Area: 5	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	337.36	913.20	732.60	1,131.27
	30-39	412.31	1,008.59	817.79	1,308.47
	40-49	572.46	1,168.73	882.54	1,495.86
	50-54	773.46	1,598.08	1,046.06	1,771.85
	55-59	960.88	1,989.89	1,226.66	2,170.52
	60-64	1,253.94	2,497.61	1,516.29	2,725.93
	65-99	1,543.54	3,438.07	1,809.32	3,540.32
	65-99 **	742.82	2,637.34	1,008.60	2,739.60

Area: 6	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	285.21	768.74	618.01	951.52
	30-39	346.02	850.04	687.44	1,099.88
	40-49	480.41	982.75	743.76	1,259.32
	50-54	652.39	1,346.11	882.06	1,491.34
	55-59	809.39	1,674.08	1,031.11	1,827.28
	60-64	1,055.42	2,100.62	1,277.34	2,292.79
	65-99	1,299.18	2,891.98	1,522.58	2,979.56
	65-99 **	624.96	2,217.78	848.36	2,305.36

Area: 7	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	256.34	692.48	555.95	855.58
	30-39	312.94	765.72	619.21	988.75
	40-49	432.79	885.54	669.18	1,135.26
	50-54	585.93	1,211.85	792.33	1,341.68
	55-59	729.09	1,508.11	928.87	1,644.65
	60-64	952.13	1,891.01	1,148.58	2,064.12
	65-99	1,168.56	2,603.42	1,368.31	2,683.33
	65-99 **	562.59	1,997.46	762.35	2,077.36

Area: 8	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	278.15	749.87	602.61	927.11
	30-39	336.47	828.39	669.14	1,072.14
	40-49	468.74	958.48	724.49	1,228.41
	50-54	634.78	1,312.12	860.55	1,451.99
	55-59	788.04	1,631.41	1,005.62	1,779.48
	60-64	1,028.79	2,047.84	1,243.40	2,234.04
	65-99	1,265.78	2,818.67	1,483.36	2,905.35
	65-99 **	610.81	2,163.69	828.40	2,250.40

Area: 9	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	277.26	751.38	602.29	930.27
	30-39	339.88	831.93	670.88	1,076.39
	40-49	471.11	960.11	727.48	1,231.46
	50-54	638.08	1,314.92	861.73	1,458.04
	55-59	793.11	1,636.95	1,007.80	1,786.06
	60-64	1,031.67	2,054.40	1,249.35	2,242.24
	65-99	1,270.21	2,826.65	1,487.89	2,913.13
	65-99 **	611.25	2,167.68	828.94	2,254.15

Area: OS	Age Band	EE Only	EE and Spouse	EE and Child(ren)	Family
	0-29	311.07	839.16	673.93	1,036.79
	30-39	375.85	926.64	748.45	1,198.76
	40-49	524.86	1,072.46	810.01	1,373.78
	50-54	709.55	1,467.71	962.27	1,623.21
	55-59	881.27	1,824.11	1,124.28	1,989.39
	60-64	1,150.19	2,290.69	1,389.98	2,498.05
	65-99	1,415.88	3,152.53	1,658.88	3,249.68
	65-99 **	683.64	2,420.28	926.64	2,517.45

Report Prepared By
Actuarial Services & Financial Modeling, Inc.
As Requested By
Anthem Blue Cross Life and Health Insurance Company
Regarding
**Small Group CaliforniaChoice Rates to be Filed with the California
Department of Insurance**
For July through December 2011 Renewals

Report Dated: April 15, 2011

By:

James P. Galasso, FSA, MAAA
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Atlanta, Georgia 30328

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I. GENERAL BACKGROUND AND SCOPE OF SERVICES

Actuarial Services & Financial Modeling, Inc. [dba Actuarial Modeling (“ActMod”)] was engaged to assist Anthem Blue Cross Life and Health Insurance Company (“Anthem”) by providing an actuarial review of certain small group health insurance rates that Anthem offers through the CaliforniaChoice Program (“CalChoice”). CalChoice is effectively an insurance exchange or “marketing cooperative” that offers employees of small groups (and mid-size groups) the opportunity to purchase health insurance from various Managed Care Organizations (“MCO”).

Each MCO must file with the CDI or Department of Managed Health Care, as applicable, the rates for the benefit plan(s) it offers through the CalChoice Program. The rates filed with the CDI include both the premiums earned by the MCO and the administrative fee that the MCO pays to the CalChoice administrator. The responsibilities of CalChoice include the enrollment and billing of the small groups and the remitting of premiums to the MCOs. CalChoice also has the responsibility of underwriting the small groups for Anthem; this includes, in accordance with California Insurance Code Section 10700, the ability to apply a Risk Adjustment Factor (“RAF”) between 90% and 110% of the filed rates, based upon “any expected deviations from the standard cost of services”. The RAF, however, must not be changed more frequently than once every 12 months and may not increase by more than 10 percentage points from the prior RAF.

The rates that ActMod was asked to review are for the six Anthem small group benefit plans summarized in the “Summary Table of Benefit Plans” in Section V of this report. For rate development purposes (see Attachment 4) the six benefit plans are consolidated into two Policy Form Groupings, which for the purpose of this Report are referred to as “PPO Plans” and “CDHP Plans”. Anthem prepared the rates to be effective for groups renewing between July 2011 and December 2011, inclusive. New business written during this period will also be written at these filed rates. This report (the “Report”), our actuarial analysis, and our actuarial opinions are based on these assumed effective dates.

ActMod was asked to conduct an independent review of the actuarial methodologies and assumptions used by Anthem to establish the rates filed with the CDI for the benefit plans and rates that are the subject of this Report (the “Rate Filing”).

James P. Galasso, President & Consulting Actuary for ActMod, a Fellow in the Society of Actuaries and a Member of the American Academy of Actuaries prepared this Report. Mr. Galasso has over thirty years’ experience in actuarial work related to health care, has served as the Chief Actuary and Chief Financial Officer of large managed care organizations, and has provided actuarial consulting services to the health care industry. In these various capacities, Mr. Galasso has addressed the areas discussed in this Report on numerous occasions and meets the Qualification Standards for *Actuaries Issuing Statements of Actuarial Opinion in the United States* to issue the opinions contained herein. Mr. Galasso also meets the independence requirements stated in the California Insurance Code section 10181.6 (b)(3). Mr. Galasso’s curriculum vitae can be found as Attachment 1 to this Report.

Mr. Galasso applied the appropriate actuarial standards in conducting his review of the actuarial methodologies and calculations used by Anthem to prepare the Rate Filing.

In addition to an independent review of the actuarial methodologies and assumptions used by Anthem to prepare the Rate Filing, the scope of our assignment also included a review of the supporting Actuarial Memorandum certified by Janet Chiu of Anthem (the “Actuarial Memo”). We have included the Actuarial Memo as Attachment 10 to this Report. Ms. Chiu whose Anthem title is “Regional Vice President and Actuary I” is a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. We were also asked to prepare this written report to address, to the best of our ability, the actuarial certification requirements described in a draft released by the CDI on February 3, 2011 regarding rate filing requirements for compliance with Senate Bill 1163 (“SB 1163 Draft Guidance”).

SB 1163 Draft Guidance is included in this Report in its entirety as Attachment 9; Section VI of this Report summarizes the provisions and addresses compliance.

Please note that throughout this Report the definition of capitalized terms can generally be found in Section II (“Definitions and Industry Terminology”).

Various files provided to ActMod by Anthem and discussed in this Report enabled us to reach the opinions presented in this Report.

The scope of this engagement included a detailed independent review of these files with respect to their accuracy, completeness, and methodologies in regards to compliance with the SB 1163 Draft Guidance. ActMod approached this assignment by applying our best efforts to achieving these goals.

The estimates subject to review by this Report, of necessity, include projections of events that have not yet taken place (e.g. claims paid beyond the date for which information is available). While ActMod used accepted actuarial procedures in the review of these estimates, there can be no assurances that the ultimate actual projections will not differ materially from these estimates. In addition the accuracy of any estimates reviewed or discussed in this Report are dependent upon the availability and quality of the data received.

The detailed data (i.e. claim records, membership files, and premium receipts) that were required to prepare the Rate Filing were accepted as accurate and valid by ActMod without audit or detailed verification. Accordingly, ActMod is not able to provide assurances in this Report concerning the integrity of such information used in our analyses and on which our findings are based.

For certain items (e.g. establishment of Geographic Area Factors and certain assumptions that impacted the relatively modest cost estimates attributable to the increase in costs due to ACA mandated benefits), ActMod did not conduct a detailed review of the underlying cost assumptions and relied on the information provided by the qualified actuary identified in Attachment 2 (the “Reliance Actuary”). Such reliance is typical and, we believe, universal when an external and independent actuary is asked to assist a company with complex actuarial issues – especially actuarial issues requiring the detailed review of a company’s own data. This Report identifies those instances for which we relied on the Reliance Actuary.

ActMod did review all data and information provided for general reasonableness. We have no reason to believe that any of the data or information provided is not accurate. Additionally, we believe our review addressed the appropriate issues and our conclusions presented herein are reasonable, given the information provided. From this point forward, the reader of this Report should assume that for certain data or information that we identified as having not been reviewed or audited by ActMod for other than general reasonableness (e.g. raw data and hard-coded data in electronic files provided), that we have no cause to believe that the information is not accurate.

Anthem was able and did provide all of the information requested by ActMod.

The scope of this engagement does not constitute a rendering by ActMod or its employees of any legal advice, and because our engagement is limited in nature and scope, it cannot be assumed to provide all analyses that may have importance to Anthem or others in this matter.

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Nothing included in this Report may be included in any filing with the Securities and Exchange Commission.

Any reader of this Report must possess a substantial level of expertise in areas relevant to this analysis to appreciate the significance of the assumptions used in the analysis, and the impact of the assumptions on the illustrated results.

II. DEFINITIONS AND INDUSTRY TERMINOLOGY

- A. Accountable Care Act (“ACA”) – The two health care reform bills enacted into law on March 23, 2010 called the “Patient Protection and Affordable Care Act” and the “Health Care and Education Affordability Reconciliation Act of 2010” are collectively referred to as the “Accountable Care Act”.
- B. Actuarial Values - (see Benefit Plan Relativities)
- C. Adverse Selection - One of the most challenging issues that health insurance companies must contend with in a voluntary and competitive market is the ability of each prospective or current Member and/or Small Group to forego health insurance or to select the benefit plan and insurance company that offers the most attractive alternative.

Historically, health insurance companies have protected themselves from adverse selection attributable to new sales via the Medical Underwriting process (see Medical Underwriting). Controlling adverse selection attributable to enrolled Small Groups or Members is much more problematic. For example, when rate increases are necessary, every Small Group and Member reassesses its current position. Healthy Members and Small Groups with relatively low Medical Costs are both more attractive to all competitors and less inclined to believe that the premiums they have been paying provide sufficient value. Accordingly, healthier Members and Small Groups with relatively low Medical Costs generally have a higher Lapse Rate than less healthy members. In the absence of new sales offsetting this adverse selection phenomenon, the average PMPM claims cost for a benefit plan will increase above and beyond the myriad of other factors that also drive PMPM Medical Costs higher.

In addition to lapsing coverage or changing health insurance companies, when faced with premium increases, healthy Members and Small Groups with relatively low Medical Costs are also much more likely to replace their current health insurance policy with a policy with a lower Actuarial Value. Even if a lower cost Member or Small Group replaces its current policy with a lower cost policy from the same health insurance company, that company will still experience adverse selection. The adverse selection will be in the form of a reduction in the premiums received that exceeds the expected reduction in Medical Costs between the two policies.

Finally, statutes and regulations often limit an insurer’s ability to protect itself against adverse selection (see “Guaranteed Issue” and “Guaranteed Renewability”).

- D. Allowed Claims (or, Allowed Charges) – Allowed Claims represent the amount a health care provider bills a managed care organization **after** the application of contractual discounts negotiated with the managed care organization but **before** member cost sharing provisions are considered.
- E. Anniversary (or, Renewal) Month – Small Employer Groups generally receive rate changes on a regular basis (e.g. every 6-months or annually). The rate change month for a Small Employer Group is usually called an “Anniversary Month”, or a “Renewal Month”.
- F. Base Period (also referred to as Experience Period) – This is a term used by actuaries when they must project future medical costs and related data (e.g. members and premiums) for a defined purpose. The Base Period is derived from a recent subset of the Experience Data. The actuary often uses the Base Period to project future expected experience (e.g. for a defined Rating Period).
- G. Benefit Plan Relativities (or, Actuarial Values) – When evaluating the historical experience and projecting the future financial experience for Small Groups or Members, it is often necessary to adjust the experience for benefit plan changes that took place during the historical period. This requires an evaluation of the relative Actuarial Values for the benefit plans in effect during the historical period. These relative Actuarial Values are often referred to as Benefit Plan Relativities. For example when benefit plan A is expected to provide for benefit payments that, on average, amount to 90.0% of the expected benefit payments of benefit plan B, the Benefit Plan Relativity between plan A and plan B is 90.0%.

Actuarial Value is also used to define the percentage of total Medical Costs that will be paid by a particular benefit plan. For example, a benefit plan with an Actuarial Value of 85% is expected to cover 85% of total Allowed Claims with the Member paying for the remaining 15% in the form of Cost Sharing.
- H. Billed Claims (or, Billed Charges) – Billed Claims represent the amount a health care provider bills a managed care organization **before** the application of contractual discounts negotiated with the managed care organization and **before** member cost sharing provisions are considered.
- I. Cost Sharing – Cost Sharing refers to the amount of Allowed Charges that a Member must pay for health care services over and above that paid by a health care plan. The most common cost sharing provisions consist of deductibles, copayments, and coinsurance amounts. Benefit limitations such as lifetime or calendar year limits may also result in Cost Sharing.
- J. Eligible Employee - This term is defined by the California Insurance Code Section 10700. In general, it refers to an employee who is eligible to participate in an employer sponsored health insurance plan.
- K. Employee Contribution – This is the amount an Eligible Employee must pay to participate in an employer sponsored health insurance plan. The employee contribution may be expressed as a dollar amount (often the employee’s required monthly contribution) or a percentage of the benefit plans total premium.
- L. Employee Participation – This is defined as the percentage of Eligible Employees that actually enroll in an employer sponsored health insurance plan.
- M. Experience Data – This is a term used by actuaries to define the data (e.g. members, premium, and medical claims) that is often used for projection purposes. The data used for a defined Base Period is generally a subset of the Experience Data.

- N. Family Tier – This is an industry term that is used to describe a Member’s family type rating classification (e.g. Single Subscriber, Subscriber and one Dependent, Family).
- O. Guaranteed Issue – California Assembly Bill 1672 (“AB 1672”) requires that health insurers offer health coverage to all Small Employers requesting such coverage, subject to certain provisions (e.g. a health insurer may establish, within limits, minimum Employee Contribution and minimum Employee Participation requirements). This requirement is generally referred to as “Guaranteed Issue”.
- P. Guaranteed Renewability – In addition to Guaranteed Issue, AB 1672 also guarantees the renewability of Small Group health insurance policies for other than certain very limited and defined reasons (e.g. the nonpayment by the Small Group of required premiums).
- Q. Lapse Rate - Lapse rates is an industry term used to measure the termination rate of Members and/or Groups. When specifically measured, the lapse rate is generally expressed as a monthly or annual percentage.
- R. Managed Care Organization (“MCO”) – Third party health care payers that negotiate contracts with health care providers to provide services to its Members are often referred to as Managed Care Organizations.
- S. Medical Costs – This is an industry term that is used to refer to medical claim payments plus other medical costs and/or credits (i.e. capitation payments to providers or provider organizations, provider risk sharing payments or receivables, Rx Rebates, medical management expenses properly classified as medical expenses, etc.).
- T. Medical Loss Ratio (“MLR”) – While the subject of multiple definitions, in its most basic form (and, unless otherwise stated, as used in this Report), an MLR is defined as Incurred Medical Costs divided by Earned Premiums for a defined period of time. Two other relevant MLR definitions for the purpose of this Report include:
 - (1) GAAP-defined MLR – Generally Accepted Accounting Principles (“GAAP”) requires that certain medical management expenses be treated as Medical Costs. Thus a GAAP-defined MLR is defined in this Report as Incurred Medical Costs (inclusive of medical management expenses that improve the quality of medical care) divided by Earned Premium.
 - (2) ACA-defined MLR – The ACA defines the numerator and the denominator of the MLR as follows:
 - (a) Numerator = Medical Costs (inclusive of medical management expenses that improve the quality of medical care) plus the impact of Policy Contract Reserves (also known as Active Life Reserves), if any.
 - (b) Denominator = Earned Premium less State and Federal Taxes
- U. Medical Trend (also referred to as “Claims Cost Trends”, “Claims Trend”, or “Claims Trend Factor”) – The actual and/or expected change in claims cost (the claims costs are generally expressed on a Per Member Per Month, or “PMPM” basis) over a defined period of time. The change, or Medical Trend, is generally expressed as a percentage in annualized terms.

- V. Medical Trend Leverage – The mathematical phenomenon that causes Medical Trends to be higher for benefit plans with fixed cost sharing provisions such as calendar year deductibles or fixed copays (e.g. all else being equal, a benefit plan will experience higher medical cost trends to the extent it has a fixed calendar year deductible that is higher than that of another similar benefit plan). This is due to the fixed cost sharing provisions offsetting a smaller proportion of a total benefit plan’s claims cost as overall costs increase but the fixed cost sharing provisions remain fixed.
- W. Medical Underwriting – The selection process that MCOs often use to review the medical history of a health insurance applicant. After reviewing an applicant’s medical history, the MCO will generally assign the applicant (or, group of applicants for group insurance) to an Underwriting Tier.
- X. Member – Member is the term most commonly used to describe any participant in a health care plan, whether that participant be an Employee or a dependent of an Employee.
- Y. Member Months – The average number of Members covered during a defined time period multiplied by the number of months in that time period. Member Months is also used to describe the average number of Members covered for each day within a given month.
- Z. Months of Movement (also called “Trend Months”, or “Medical Trend Months”) – This is a term used to measure the average number of months from the Base Period to the Rating Period. Months of Movement equals the number of months between the midpoint of the Base Period and the midpoint of the Rating Period.
- AA. Paid Claims - Unless otherwise stated this Report refers to Paid Claims as the amount a health care provider bills a managed care organization **after** the application of contractual discounts negotiated with the managed care organization and **after** member cost sharing provisions are considered. Paid Claims must often be distinguished from Incurred Claims but unless otherwise stated, this Report will use the terms Paid Claims and Incurred Claims interchangeably to distinguish them from Allowed Claims (see Definition above). Paid Claims generally refers to claims actual paid by a managed care organization. Incurred Claims refers to claims both paid and incurred but not yet paid (i.e. Paid Claims plus a liability estimate for claims incurred but not yet paid).
- BB. Per Member Per Month (“PMPM”) – Dollar values in the managed care industry are often expressed on a Per Member Per Month (“PMPM”) basis. For example, the average premium and Medical Costs for Members for one month or for a series of months (such as the Experience Period or the Rating Period) are often expressed as PMPMs, which is calculated by dividing the total dollars for the period in the form of Medical Costs or premiums paid by the total number of Member Months that generated those dollars.
- CC. Policy Duration – The length of time (usually in years) since the issue date of a health care policy.
- DD. Policy Form – Policy Form is a term used to describe a health insurance contract that is filed with the appropriate regulatory authorities for a class of benefit plans offered to prospective and current Subscribers. A single Policy Form will often permit variations by benefit plan for certain defined items such as deductibles and other cost sharing provisions.

- EE. Retention – Retention is an industry term that is used to describe the portion of the premium dollar estimated to provide for all items other than Medical Costs. Examples of Retention items include: Administrative Expenses, Selling Expenses, Premium Taxes, and Profits. Retention is generally expressed as either a percentage of premiums or a fixed dollar amount PMPM. When expressed as percentages of premiums, the total of all Retention items is equal to the complement of the basic MLR (i.e. 100% minus the MLR = Retention).
- FF. Risk Category (or, Rating Classification) – This term is defined by the California Insurance Code Section 10700. It refers to the various rating categories that may impact the particular rate of an Eligible Employee or Small Group before the application of any Risk Adjustment Factor. California permissible Risk Categories for Small Groups include: Benefit Plan, Age, Geographic Area, and Family Tier.
- GG. Rating Period – This term is defined by the California Insurance Code Section 10700. It is defined as the period for which premium rates established by a carrier are in effect and shall be no less than six months.
- HH. Risk Adjusted Employee Risk Rate – This term is defined by the California Insurance Code Section 10700. It is defined as the "Standard Employee Risk Rate" after the application of the Risk Adjustment Factor.
- II. Risk Adjustment Factor ("RAF") - This term is defined by the California Insurance Code Section 10700. It refers to the percent adjustment to be applied equally to each "Standard Employee Risk Rate" for a particular small employer group, based upon any expected deviations from standard cost of services. For the relevant time period for this Rate Filing, the RAF may not be more than 110 percent or less than 90 percent. Per California Insurance Code Section 10714, the RAF for a given small employer group may not be changed more frequently than once every 12 months and may not increase by more than 10 percentage points from the prior RAF applied in the prior rating period.
- JJ. Seasonality – This is the term used to describe the phenomenon that Medical Costs often vary by calendar month. This is especially true for benefit plans with high calendar year deductibles since claim payments for these plans are generally lower in the early months of a calendar year and increase in the latter months of a calendar year. That is, in the early months of a calendar year, a greater portion of Medical Costs are subject to the benefit plan deductibles that are the responsibility of the Member.
- KK. Small Group (or Small Employer) – this refers to Small Employer as defined by the California Insurance Code Section 10700. Generally speaking, a Small Group is an employer group with 2 to 50 Eligible Employees.
- LL. Standard Employee Risk Rate – This term is defined by the California Insurance Code Section 10700. It represents the rate applicable to an Eligible Employee in a particular Risk Category for a Small Group.
- MM. Subscriber – This is a term that is often used to describe the purchaser of a health care policy. The health care policy itself may cover only the Subscriber (i.e. a "Single" policy) or the Subscriber and his or her dependents (i.e. a "Family" policy). For Small Group policies the "Subscriber" is generally an "Employee" of the insured group.

- NN. Underlying Medical Trends (or, “Trend Starting Point”) – The portion of Medical Trends exclusive of the various factors that cause medical costs for a benefit plan to increase at a higher or lower rate than basic medical cost changes themselves (e.g. exclusive of Medical Trend Leverage, aging, large claim distortions, and benefit plan mix changes).

It should be emphasized that theoretically “Underlying Medical Trends” should also exclude the impact of Adverse Selection. Unfortunately, it is often difficult to impossible to accurately measure the impact of Adverse Selection from historical experience without resorting to external sources for an estimate of Underlying Medical Trends. Accordingly, more often than not an analysis of Underlying Medical Trends from historical experience includes an element of Adverse Selection, which in the case of Small Group policies can be material.

- OO. Underwriting Tier – An industry term used to define the classification of individuals after reviewing an applicant’s medical history (or, in the case of Small Group the classification of a group after reviewing the medical history of the Small Group’s employees and dependents). This is analogous to the “Risk Adjusted Employee Risk Rate” defined in the California Insurance Code Section 10700.

III. SUMMARY OF METHODOLOGIES USED FOR THE RATE FILING

Anthem constructed and followed several key methodologies that were used in the preparation of the Rate Filing. A summary description, followed by a detailed review, of each such methodology follows:

- A. **Gathering of Detailed Data** – The first step in preparing a Rate Filing is to capture the relevant data at the appropriate level of detail to support the analysis required. Anthem captured information for Membership, Premiums, Claims, and related information (e.g. benefit plan information, Large Claims Data, Paid Claims versus Allowed Claims, and medical claims versus Rx claims).
- B. **Medical Trend Analysis** – Anthem captured and applied certain Medical Trend assumptions used in the Rate Filing.
- C. **Seasonality Analysis** – Since the Experience Period was less than twelve-months, Anthem prepared and applied the necessary Seasonality adjustments. The Experience Period was less than twelve-months because Anthem did not begin participation in the CalChoice program until June 2010 and the most recent month with credible experience was December 2010.
- D. **Evaluation of Benefit Plan Changes** – The Rate Filing reflects the benefit changes for ACA-mandated benefits. The impact of these benefit plan changes is required to properly reflect projected claims costs for the Rating Period.
- E. **Establishing a Rate Development Process** – Once Anthem captured and completed the required backup analysis, they applied what is often referred to as a “Rate Development Process”.
- F. **Capture and Analyze the Reporting Requirements of SB 1163 Draft Guidance** – The final step for the purpose of preparing this Report involved capturing and documenting the various requirements of the SB 1163 Draft Guidance (see Section VI).

IV. DETAILS OF METHODOLOGIES USED FOR THE RATE FILING

Following is a detailed description of ActMod’s review and opinions for each of the items summarized in Sections III. A. through E. above (item III. F. is discussed in Section VI).

- A. **Gathering of Detailed Data** – Anthem gathered the data necessary to prepare the Rate Filing. The details of the data captured and used are described in the below discussion of the various methodologies. Anthem prepared the Rate Filing with information available such that the Rate Filing could be prepared, independently reviewed, and filed while leaving sufficient time for an adequate regulatory review.

Anthem captured claims payment data through February 28, 2011 to enable Anthem to estimate claim incuralls through December 31, 2010 (i.e. incurred claims are generally paid one or more months after the claim incurral date; by capturing payment data through February 28, 2011, Anthem can estimate claim incuralls through December 31, 2010 with sufficient accuracy).

Membership and premium data was captured through December 31, 2010, consistent with the claim incurral estimates.

ActMod believes that Anthem requested and used the appropriate data required to prepare the Rate Filings consistent with sound actuarial practices and principles.

- B. **Medical Trend Analysis** – Medical Trend Factors are critical to the development of actuarially sound projections for Medical Costs and Medical Loss Ratios. Since Anthem’s participation in CalChoice began in June 2010, there is insufficient experience data to base Medical Trends on CalChoice-specific data. Accordingly, Anthem relied on its corporate Medical Trend analysis for benefit plans that most closely mirror the benefit plans impacted by this Rate Filing.

Specifically, Anthem developed its Medical Trend assumptions as follows:

- (1) **Develop “Trend Starting Points”** - Anthem used for what they refer to as “Trend Starting Points” corporate Medical Trend data for California Small Group Allowed Claims for each PPO and CDHP benefit plans, normalized for Age/Gender and Large Claims. Trend Starting Points were developed for Medical Trend (excluding Rx) and Rx Trend.
- (2) **Medical Trend Leverage Analysis** - The essential difference between Allowed Claims Medical Trends and Paid Claims Medical Trends is attributable to what is called Medical Trend Leverage. Anthem adjusted each the Medical Trend Starting Points (excluding Rx) and the Rx Trend Starting Points for Trend Leverage. Anthem analyzed the impact of Trend Leverage as follows:
 - (a) Anthem used Milliman Health Cost Guidelines to develop benefit plan-specific Medical Trend Leverage (excluding Rx). Milliman is a large nationally recognized actuarial consulting firm with substantial expertise in health care. ActMod believes that Milliman’s Health Cost Guidelines is the most prevalent source of actuarial data used by most large and small managed care organizations.
 - (b) Anthem conducted its own analysis to estimate Rx Trend Leverage for the fixed cost sharing benefit provisions for prescription drug expenses.
 - (c) Anthem then developed a composite weighting of medical costs and prescription drugs to estimate the total impact of Medical Trend Leverage Factors (including Rx) for each Policy Form.

The results of the above Medical Trend Analysis (including Rx) are presented in Attachment 3:

- (d) Columns (1) through (4) show the development of the Medical Trend (excluding Rx).
- (e) Columns (5) through (8) show the development of the Rx Trend.

(f) Column (9) shows the Total Trend (Medical and Rx combined). The figures shown in this column are the annualized trends used for Rate Development (see Section IV. E below).

(3) **Medical Trend Months** - In addition to developing the annualized Medical Trend assumptions themselves, Anthem must also determine the appropriate number of months for which to apply the Medical Trend percentages. Anthem developed the appropriate number of Medical Trend Months as follows:

- (a) Anthem determined the midpoint of the Experience Period by weighting each month of the Experience Period with the corresponding number of Member Months.
- (b) Anthem determined the midpoint of the Rating Period by weighting the midpoint of each renewal month during the Rating Period with the corresponding monthly renewal distribution percentages.
- (c) The Medical Trend Months was then determined as the number of months between the midpoint of the Experience Period to the midpoint of the Rating Period.

ActMod reviewed Anthem's methodologies and assumptions with respect to the Medical Trend Factors and believe they are actuarially sound and the assumptions reasonable.

C. **Seasonality Analysis** – The Experience Period used as the basis from which Medical Costs were projected was the seven month period from June 1, 2010 through December 31, 2010. June 1, 2010 is the date that Anthem began participation in CalChoice. Since the Experience Period was less than twelve-months, the starting point Medical Cost PMPM from which Medical Costs were projected to the Rating Period needed to be adjusted for Seasonality. There are at least three factors that contribute to Seasonality:

- (1) The benefit plan itself often contributes the most to Seasonality. Specifically, annual deductibles result in a benefit plan's claim liabilities increasing from the beginning months of a calendar year through the later calendar year months as Members satisfy their deductible throughout the calendar year.
- (2) The tendency for Members to incur greater or lesser Medical Costs during specific calendar months. For example, teachers often incur more elective medical procedures during the summer months when they may not be working.
- (3) The number of workdays during a calendar month has a considerable impact on Medical Costs incurred. For example, there are materially fewer medical services performed during weekends. There are also measurable differences in the proportion of medical services performed for the various days of the week. Thus, Seasonality will differ materially for even the same calendar month from year-to-year.

Anthem developed and applied a sophisticated methodology that adjusted for Seasonality for each of the above three factors. ActMod conducted a detailed review of the methodology and, in our opinion, the methodology is actuarially sound. The basic assumptions used in the application of the methodology were provided by the Reliance Actuary, which ActMod reviewed and found to be reasonable.

D. **Evaluation of Benefit Plan Changes** – The Rate Filing included the following ACA-mandated benefit changes:

- (1) Elimination of \$5.0 million Lifetime Maximums
- (2) Dependent eligibility to the age of 26
- (3) Covering defined Preventive Services with no Member Cost Sharing.
- (4) Elimination of annual benefit maximum of \$2,000 for Durable Medical Equipment
- (5) Elimination of \$50 Lifetime Max for Smoking Cessation programs

The estimated impact for the ACA-mandated benefits is 2.2% and 2.0% for the PPO and CDHP Policy Forms, respectively. ActMod reviewed the information provided by the Reliance Actuary for these estimates and believe they are reasonable and actuarially sound.

E. **The Rate Development Process** – A Rate Development Process involves the integration of many of the assumptions discussed in Sections IV. A. through D. above. The process involves a comprehensive analysis that progresses from the summary of basic data for a defined Experience Period through the development of actual historical premium PMPMs, needed rate changes, and/or proposed rate changes.

Anthem selected June 1, 2010 through December 31, 2010 as the Experience Period.

The Rating Period was effectively defined by the Anniversary Months impacted by the Rate Filing. Specifically, the Rate Filing proposes rates for Small Groups renewing during the third and fourth calendar quarters of 2011 (i.e. July through December 2011).

Each Step Anthem followed for this Rate Filing is shown in Attachment 4 and consists of the following (note the below numbered items correspond to each numbered Step on Attachment 4):

- (1) **Member Months (for Experience Period)** – These are the actual Member Months for the Experience Period
- (2) **Earned Premiums** – These are the premiums actually earned by Anthem during the Experience Period. As previously noted, the filed rates consist of the premiums earned by Anthem and the fees retained by the CalChoice administrator. Unless otherwise stated, this Report refers to premiums as the premiums earned by Anthem, exclusive of the fees retained by the CalChoice administrator.
- (3) **Incurred Claims** - These are the estimated claims that were incurred during the Experience Period (Note: “Incurred Claims” are always considered estimates since they always include an estimate for claims incurred but not yet paid).
- (4) **Earned Premium PMPM** = Step (2) / Step (1)

- (5) Earned Premium PMPM (Adj'd for Current Members) – These are the Earned Premium PMPMs for each benefit plan weighted by the Members enrolled in such benefit plan as of the end of the Experience Period (i.e. December 2010). This adjustment is made to adjust for any benefit plan shifting that may have taken place during the Experience Period.
- (6) Benefit Expense PMPM = Step (3) / Step (1)
- (7) Benefit Expense PMPM (Adj'd for Current Members) – These are the Benefit Expense PMPMs for each benefit plan weighted by the Members enrolled in such benefit plan as of the end of the Experience Period (i.e. December 2010). As for the Earned Premium PMPM, this adjustment is made to adjust for any benefit plan shifting that may have taken place during the Experience Period.
- (8) Incurred Loss Ratio = Step (6) / Step (4)
- (9) Incurred Loss Ratio (Adj'd for Current Members) – Step (7) / Step (5)
- (10) Annual Composite Trend – These are the composite (Total) trends shown on Attachment 3 for the PPO and CDHP Policy Forms.
- (11) Number of Trend Months – These are the number of Medical Trend Months between the midpoint of the Experience Period and the midpoint of the Rating Period [described in Section IV. B. (3)].
- (12) Cumulative Trend = $[1.0 + \text{Step (10)}] \wedge [\text{Step (11)} / 12.0]$
- (13) Seasonality – These are the Seasonality Adjustment Factors described in Section IV. C.
- (14) ACA-mandated benefits – These are the factors necessary to adjust experience for the ACA-mandated benefits discussed in Section IV. D.
- (15) Total Projection Factor – Step (12) x Step (13) x Step (14)
- (16) Member Months (for Rating Period) – These are the assumed Member Months for the Rating Period (assumed equal to twelve times the number of Members in force as of December 2010).
- (17) Projected Benefit Expense PMPM = Step (7) x Step (15)
- (18) Drug Rebates - These are Anthem estimated amounts that are offsets to Projected Benefit Expense PMPMs. The estimated value is shown as a negative \$2.25 PMPM. ActMod relied on the Reliance Actuary for this estimate.
- (19) Medical Management Reclass - These are Anthem estimated amounts that represent the ACA-defined Medical Management Expenses that are expected to improve the delivery of medical care. ActMod relied on the Reliance Actuary for the \$3.23 PMPM shown.
- (20) Projected Benefit Exp (w/ Rx Rebates & Med Mgmt) = Step (17) + Step (18) + Step (19)
- (21) Target Loss Ratio – These are the Anthem Target Loss Ratios defined as the Medical Costs (including Rx Rebate offsets and Medical Management Reclassified Expenses) projected for the Rating Period divided by the Needed Premium PMPMs for the Rating Period [i.e. Step (20) / (22)].
- (22) Needed Premium PMPM = Step (20) / Step (21)

- (23) Premium PMPM with 1/1/2011 Rate Tables – These are sometimes referred to as the “Premium at Current Rates”. They were calculated by Anthem by applying the most current Rate Tables (i.e. the 1/1/2011 Rate Tables) to the Members in force as of the end of the Experience Period (i.e. December 2010).
- (24) Proposed Increase over 1/1/2011 Rate Tables – These are the proposed rate increases that when applied to the current Rate Tables (i.e. the 1/1/2011 Rate Tables) will produce the proposed Rate Tables to be filed with the CDI.
- (25) GAAP-defined MLR = Step (20) / Step (22); see Section II. T. (1) for a definition.

ActMod conducted a detailed review of Anthem’s methodologies and assumptions with respect to the Rate Development Process and believe they are actuarially sound and the assumptions reasonable.

V. SUMMARY OBSERVATIONS AND OPINIONS

The below table summarizes the proposed rate changes and the expected Medical Loss Ratios.

Summary of Proposed Rate Changes and MLRs

CalChoice Benefit Plan ⁽¹⁾	Members December 2010 ⁽¹⁾	Proposed Rate Changes (averages)		GAAP- defined MLR ⁽⁵⁾
		From Current ⁽²⁾	Annual ⁽³⁾	
PPO CalChoice Deductible Plans				
\$750 Plan	636	3.0%	9.2%	
\$1000 / 40 Copay Plan	3,029	4.0%	10.2%	
\$3000 Plan	1,768	2.0%	(3.1%)	
\$4000 Plan	<u>634</u>	<u>0.0%</u>	<u>(9.0%)</u>	
Total PPO	6,067	3.1%	4.2%	86.6%
CDHP (HSA) CalChoice Deductible Plans				
\$1800-80/50	1,310	7.8%	16.4%	
\$2500-80/50	3,342	7.8%	14.8%	
Total CDHP	4,652	7.8%	15.3%	107.7%
PPO and CDHP Plans Combined				
Grand Total	10,719	4.9%	8.8% ⁽⁴⁾	95.1%

⁽¹⁾ See Actuarial Memo (Attachment 10) for more detailed Benefit Plan Descriptions

⁽²⁾ Rate change from January–June 2011 (current filed Rate Tables) to July–December 2011 Rate Tables

⁽³⁾ Annual rate change from July–December 2010 to July–December 2011 Rate Tables
(Note: Annual rate changes Include cost of adding ACA-mandated benefits, which are included in January-June 2011 Rate Tables)

⁽⁴⁾ 6.6% average annual increase before impact of ACA-mandated benefits

⁽⁵⁾ Medical Loss Ratios based on premiums earned by Anthem, exclusive of the fees retained by the CalChoice administrator

New business enrolls at the rate levels in place as of the group's effective date. Renewal business renews at the rate levels in place for the renewal month. Since groups generally renew annually on their Anniversary Month, the rate change for a renewal group will generally be the change between the Rate Table in effect as of a group's renewal month and the Rate Table in effect 12-months prior to the group's renewal month.

ActMod notes that there is no California-specific statutory or regulatory guidance regarding benefit plan-specific Medical Loss Ratios for Small Groups. In ActMod's opinion, however, the above Medical Loss Ratio defined to comply with GAAP standards is, in the aggregate, not greater than the typical industry Medical Loss Ratio for Small Groups.

As previously noted, the Rate Tables filed with the CDI include both the premiums earned by Anthem and the fee retained by the CalChoice Administrator. This fee is considered to be very proprietary and confidential. Anthem and ActMod understand that this Report will be made available to the public and, accordingly, the CalChoice fee is not being disclosed in this Report. ActMod notes, however, that the proposed rate **changes** in this Rate Filing are determined independently of and are not affected by the CalChoice administrative fee.

Finally, it should be understood that California Insurance Code Section 10700 permits rates to vary between 90% and 110% of the standard employee risk rate for a particular Small Group based upon any expected deviations from standard claims. While ActMod did not review the group-by-group determination of the RAF that is established by the CalChoice administrator, the Actuarial Memorandum (Attachment 10) states "To the best of Anthem's knowledge, this risk adjustment factor is not less than 0.9 and no more than 1.10". That is, Anthem relies on the CalChoice administrator to determine and apply the RAF for a Small Employer, consistent with the California Insurance Code and may audit the CalChoice administrator for compliance in accordance with the Participation Agreement between the CalChoice administrator and Anthem.

ActMod did request and the Reliance Actuary provided ActMod with a demonstration of the stability of the average RAF factor from inception of Anthem's participation in the CalChoice program (i.e. June 2010) through the most current available data month (i.e. February 2011). The variance between the highest and lowest RAF during this period was an immaterial 0.5%.

Based on our detailed review of the Rate Filing development methodologies and assumptions, and a review of the above expected Medical Loss Ratios, it is ActMod's opinion that the Rate Filing is actuarially sound and the assumptions reasonable. Accordingly, we believe that the proposed rate changes are reasonable and the benefits provided are reasonable in relation to the proposed rates.

VI. COMPLIANCE WITH SB 1163 DRAFT GUIDANCE

The specific requirements of the SB 1163 Draft Guidance are included below in **Bold Type** in whole or in summary form for the reader's convenience and for reference purposes. The complete copy of the SB 1163 Draft Guidance is included as Attachment 9. ActMod's response regarding compliance is noted immediately below each provision:

Section A: Unreasonable Rate Increases:

- 1) The relationship of the projected medical loss ratio to the federal medical loss ratio standard in the market segment to which the rate applies, after accounting for any adjustments allowable under federal law.**

For the demonstration of compliance with the federal medical loss ratio standard, ActMod relied on the 2011 financial forecast provided by the Reliance Actuary that is included in this Report as Attachments 5(b) and 5(c). Financial forecasts that produce such information generally require a multitude of assumptions. For example, group and subscriber lapse rates, new business enrollment, premium rate changes, premiums earned versus premiums charged, benefit plan changes, and the underwriting dynamics impacting benefit plan selection and the relationship between the rating characteristics reflected in premium rates versus the actual member-specific health risk characteristics for persisting versus cancelled membership must all be considered. Each of these assumptions must be considered for the major product lines or market segments for which the forecast is being prepared.

Month-by-month projections are also materially impacted by seasonality, which is largely driven by benefit plan cost-sharing provisions. While higher deductibles decrease an insurance company's liability for Medical Costs in the aggregate, the month-to-month Medical Costs for an insurance company, in general, increases as a calendar year progresses. That is, towards the end of a calendar year it is more likely that a Member will have satisfied his or her deductible and the liability for the insurance company will represent a greater portion of Medical Costs incurred. This monthly seasonality is reflected in the attached forecast for calendar year 2011.

Attachments 5(b) and 5(c) show Anthem's month-by-month projections for all its CDI-regulated Small Group business separately for (i) all Small Group benefit plans other than *CaliforniaChoice*, (ii) *CaliforniaChoice*, and (iii) all Small Group benefit plans including *CaliforniaChoice*.

The premiums shown for the *CaliforniaChoice* program are the premiums actually received and earned by Anthem, excluding the fees retained by the *CaliforniaChoice* program administrator.

ActMod conducted a thorough review of the Rate Development Process for the *CalChoice* benefit plans as discussed in this Report. For the aggregated analysis and assumption-setting for all the Small Group benefit plans that comprise the forecast shown in Attachments 5(b) and 5(c), ActMod relied on the Reliance Actuary and reviewed the composite results for reasonableness.

ActMod prepared Attachment 5(a) to review the reasonableness of the information we were provided that are shown in Attachments 5(b) and 5(c). We note from Attachment 5(a) that the average members covered are projected to increase by 9.8% from CY 2010 to CY 2011, which we believe is reasonable based on discussions with Anthem regarding their Small Group marketing expectations. We also note that Premium PMPMs and Medical Cost PMPMs are expected to increase 9.1% and 8.4%, respectively from CY 2010 to CY 2011. Both the absolute levels of these changes and the relationship of the increase in Premium PMPMs and Medical Cost PMPMs are reasonable.

Since Premium PMPMs are projected to increase at a slightly higher rate than Medical Cost PMPMs, the Traditional MLR is projected to decrease modestly from 76.9% to 76.4% from CY 2010 to CY 2011.

Attachment 5(a) also summarizes the adjustments necessary to convert the Traditional MLR for calendar year 2011 to an ACA-adjusted MLR. It is ActMod's opinion that the ACA adjustments for each Medical Costs and Revenue that were provided by the Reliance Actuary are reasonable. The projected ACA-adjusted MLR shown of 80.7% demonstrates compliance with the minimum medical loss ratio standard of 80% as promulgated by the ACA.

2) Whether the assumptions on which the rate increase is based are supported by substantial evidence.

As noted throughout this Report, it is ActMod's opinion that Anthem's Rate Filing assumptions are reasonable and supported by substantial and documented evidence. ActMod notes that "substantial" is a subjective non-actuarial term. But for the purposes of this Rate Filing review, ActMod defines substantial as the methodologies and applications of the methodologies as sufficient to reach the actuarial judgments presented throughout this report – including our opinion of the reasonableness of the proposed rate changes. In addition to the methodologies themselves, we also include in the definition of substantial our belief that the data relied upon for the application of the methodologies was credible and adequate for the task. This definition is consistent with the review of this Rate Filing that was performed by ActMod.

3) Whether the choice of assumptions or combination of assumptions on which the rate increase is based is reasonable.

As noted throughout this Report, it is ActMod's opinion that Anthem's methodology and choice of Rate Filing assumptions are reasonable. ActMod notes that while "reasonable" is a subjective term, actuaries often review rate filings and apply "actuarial judgment" to develop opinions regarding the reasonableness of benefits in relation to premiums charged. For the purpose of this Rate Filing, ActMod defines reasonable as having sufficient, credible, and relevant data such that an experienced actuary could review the available information and make an informed judgment by applying actuarial standards to determine the reasonableness of each relevant assumption used in the preparation of the Rate Filing. This definition is consistent with the review of this Rate Filing that was performed by ActMod.

4) Whether the data or documentation provided to the Department in connection with the filed rate increase is incomplete, inadequate or otherwise does not provide a basis upon which the reasonableness of the rate may be determined.

It is ActMod's belief that the information that Anthem, in conjunction with this detailed Report, has provided the CDI for the Rate filing is adequate, complete, and a reasonable basis for the CDI's review of the Rate Filing. In addition to the Rate Tables Anthem filed with the CDI, Anthem prepared and provided ActMod Attachment 10, an Actuarial Memorandum prepared by the Reliance Actuary that provides further support for the Rate Filing.

As noted in this Report, the Rate Tables include a factor that reflects the fees retained by the CalChoice administrator. Since the CalChoice fees are considered to be very proprietary and confidential, it is not reasonable to expect disclosure of the fee amount. ActMod notes, however, that the proposed rate changes in this Rate Filing are determined independently of and are not affected by the CalChoice administrative fee.

Accordingly, it is ActMod's opinion that the data and/or documentation provided to the CDI in connection with the filed rate increases is sufficient and adequate for the CDI to determine the reasonableness of the requested rate changes.

5) Whether the filed rates result in premium differences between insureds within similar risk categories that:

a) Are otherwise not permissible under applicable California law; or

To the best of ActMod's knowledge, the Rate Filing has no rates or rating classifications between insureds that are not permissible under applicable California law.

b) Do not reasonably correspond to differences in expected costs.

Certain aspects regarding cost differentials, such as geographic area factors and age factors, were not reviewed by ActMod for other than reasonableness. We did review the methodologies that used such factors and, in our opinion, both the methodologies and the application of the methodologies are actuarially sound.

For such factors that were only reviewed for reasonableness and consistent with Actuarial Standards of Practice, we relied on the Reliance Actuary identified in Attachment 2. Such reliance is typical and, we believe, universal when an external and independent actuary is asked to assist a company with complex actuarial issues – especially actuarial issues requiring the detailed review of a company's own data.

Based on the above, it is ActMod's opinion that the premiums and rate changes in the Rate Filing do reasonably correspond to differences in expected costs.

6) Whether the specific, itemized changes that led to the requested rate increase are substantially justified by credible experience data.

We reviewed the itemized changes (e.g. membership, premium, and claims information) in great detail and believe they are all justified by credible experience. As noted in this Report, when experience data solely attributable to the benefit plans impacted was supplemented with other data (e.g. reliance on corporate Medical Trend analysis due to a lack of credible CalChoice-specific experience), we believe that Anthem used appropriate substitute or supplemental data and made the appropriate adjustments to that data.

Accordingly, it is ActMod's opinion that the requested rate changes are substantially justified by credible experience data.

7) The company's rate of return, evaluated on a return-on-equity basis, for the prior three years, and anticipated rate of return for the following year, taking into account investment income.

In response to this request, Anthem provided ActMod what is included in this Report as Attachment 6. This is not something that ActMod, nor do we believe other external actuarial consultants, would typically review in the context of a single Rate Filing. The information is attached per the SB 1163 Draft Guidance but we do not believe it is relevant to the review and opinions expressed in this Report.

Therefore ActMod did not identify anything in the Rate Filing that would cause us to consider the Rate Filing to be unreasonable due to the company's rate of return.

8) The insurer's employee and executive compensation.

In response to this request, Anthem provided ActMod what is included in this Report as Attachments 7(a) and 7(b). These Attachments consist of blank exhibits that show the compensation information included each year in Anthem's Statutory Statements annual filings. Of course, actual compensation information would accompany the Statutory Statement filings.

Other than noting that Anthem implicitly considered total administrative expenses including employee and executive compensation in establishing the Target Loss Ratios shown in the Rate Filing, ActMod did not consider nor do we understand how an actuary would consider this type of information in determining the reasonableness of a rate filing. Therefore ActMod did not identify anything in the Rate Filing that would cause us to consider the Rate Filing to be unreasonable due to employee and executive compensation.

9) The degree to which the increase exceeds the rate of medical cost inflation as reported by the U.S. Bureau of Labor Statistics Consumer Price Index for All Urban Consumers Medical Care Cost Inflation Index.

In response to this request, Anthem provided ActMod with the Table shown in Attachment 8. As previously noted the preparer of this Report, James P. Galasso, has over 30 years' experience involving health care pricing and related actuarial issues. During this time it has always been evident to Mr. Galasso and, we believe, the actuarial community in general that the Medical Care component of the Consumer Price Index materially understates medical trend in general and the medical cost drivers of health care premiums in particular.

Accordingly, ActMod added the "boxed" area to the right of the table in Attachment 8. The text in the boxed area is an excerpt from the Bureau of Labor Statistics website that explains some of the components of the Medical Care CPI. ActMod highlighted the last sentence that we believe is particularly relevant. Specifically, it notes that the Medical Care component of the CPI "... only includes consumers' out-of-pocket expenditures (and excludes employer provided health care). . ." The Medical Care component of the CPI also excludes government expenditures (e.g. Medicare and Medicaid payments) from the Medical Care component of the CPI.

With government alone accounting for approximately 50% of total health care spending in the United States and employers paying the preponderance of the remaining 50%, we seriously question the use of the Medical Care component of the CPI as an indicator against which rate increases for health insurance premiums should be compared.

We make the observation in support of our belief that the Medical Care component of the CPI is an arbitrary, artificial, and erroneous indicator with respect to the drivers of health insurance premiums. We would also note and as described elsewhere in this Report that the Medical Trends for Small Group health insurance are subject to forces well in excess of what Anthem describes as the “Trend Starting Point” (e.g. Adverse Selection, Underwriting Wear-Off, and Medical Trend Leverage).

Nevertheless and in compliance with the SB 1163 Draft Guidance, we provide the following information:

As noted in Attachment 8, the Medical Care component of the CPI for 2010 is shown as 3.4%. The “Trend Starting Points” used in the Rate Filing was, in the aggregate, 7.2% and 9.8% for Medical Costs (exclusive of Rx) and Rx, respectively. As previously noted in this Report, the Medical Trend differences by benefit plan are solely attributable to Medical and Rx Leveraging. Attachment 3 presents a summary of the actual Medical and Rx Trends used by the Rate Filing.

The annual proposed rate increases that are largely driven by historical experience and the above-noted Medical Trend assumptions are, in the aggregate, 8.8% (see the table of Summary of Proposed Rate Changes and MLRs in Section V).

In ActMod’s opinion, it is not unusual or unreasonable for rate changes for Small Group health care plans to exceed the Medical Care component of the CPI to the same extent as that noted above for the Rate Filing. Accordingly, it is also our opinion that the differential between the Medical Care component of the CPI and the Rate Filing proposed rate changes should **not** cause the Rate Filing to be deemed “unreasonable”.

- 10) **For individual policies, whether the proposed rates comply with California Code of Regulations Title 10, section 2222.12 (the “California Code”).** *ActMod note: The California Code defines and requires that the Lifetime Anticipated Loss Ratio (the “Lifetime MLR”) and “the anticipated loss ratio over the future period for which the revised rates are computed to provide coverage” (the “Future MLR”) must each be not less than 70.0%. The recent revision to the California Code also requires that proposed rates comply with ACA-defined minimum MLR requirements.*

Since this provision specifically applies to “individual policies”, it is not relevant to this Rate Filing, which impacts only Small Groups.

Section C: Actuarial Certification

(Note in this Section C, the pronouns “I” and “me” refer to James P. Galasso)

14) (A) The Actuarial Certification is considered:

(1) A “Statement of Actuarial Opinion”

I understand that this Report is deemed to be a Statement of Actuarial Opinion and prepared this Report, to the best of my ability, to comply with my professional obligations in this regard.

(2) A “Health Filing”, as defined in Actuarial Standard of Practice (“ASOP”) No.8

I understand that the Rate Filing subject to review by this Report is considered a Health Filing and, as such, is subject to the actuarial standards described in ASOP No. 8.

(3) An “Actuarial Communication”, as defined by ASOP No. 41

I understand that this Report is deemed to be an “Actuarial Communication” and prepared this Report, to the best of my ability, to comply with my professional obligations in this regard.

(B) The Actuarial Certification must include:

- (1) A statement (i) describing the actuary’s qualifications, (ii) that the actuary meets the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States, and (iii) that the actuary meets California’s legal requirements for independence.**

As stated in Section I of this Report, I meet the Qualification Standards for *Actuaries Issuing Statements of Actuarial Opinion in the United States* to issue the opinions contained herein. I also meet the independence requirements stated in the California Insurance Code section 10181.6 (b)(3).

- (2) A statement of opinion that the proposed premium rates in the filing are actuarially sound in aggregate. Premium rates are actuarially sound if, for business in California and for the period covered by the certification, the total of projected premium income, expected reinsurance cash flows, governmental risk adjustment cash flows, and investment income is adequate to provide for all expected costs, including health benefits, health benefit settlement expenses, marketing and administrative expenses, and the cost of required capital.**

I affirmatively state that, in my opinion, the proposed premium rates are actuarially sound for the business in California and for the period covered by the certification (i.e. the Rating Period). I reviewed the projected premium income, any expected reinsurance cash flows (there were none), and any governmental risk adjustment cash flows (there were none).

As noted in Section I, the projection period assumed the proposed rates would be effective for Small Groups enrolling or renewing during the months of July 2011 through December 2011.

I did not review, however, investment income as regards the benefit plans impacted by the Rate Filing. In my opinion, investment income for short term medical care policies is typically not explicitly considered during the rate development process. The reason is that, unlike for longer term product offerings such as disability income policies or long term care insurance, investment income is not a significant part of the income stream for short term medical care policies.

With respect to expected costs, I conducted a detailed review of expected Medical Costs. In lieu of a detailed review of underlying administrative expenses (such as marketing and administrative expenses), I reviewed the reasonableness of the target medical loss ratios established by Anthem. In my opinion the target medical loss ratios are reasonable and not less than industry norms for the Small Group market. For the “cost of required capital”, it is my opinion that it is not typical for Small Group rate filings to explicitly include a factor for the “cost of required capital”. Rather, it is far more common for a company to prepare a rate filing with target medical loss ratios a company finds acceptable. The target medical loss ratio generally provides for an implicit or explicit profit margin sufficient to cover the “cost of required capital” when considered in the context of an entire company’s financial performance goals and objectives.

In this case, Anthem has assured me that it is comfortable with the chosen target medical loss ratios and I verified, to the best of my ability, that the ultimate expected target loss ratios complied with all appropriate laws and regulations.

With the above understanding, I affirmatively state my opinion that the proposed premium rates are actuarially sound for the business in California and for the period covered by the certification (i.e. the Rating Period).

- (3) For each contract or insurance policy included in the filing, a complete description of the data, assumptions, rating factors, and methods used to determine the premium rates, with sufficient clarity and detail that another qualified health actuary can make an objective appraisal of the reasonableness of the data, assumptions, factors, and methods. The descriptions must include examples of rate calculations for each contract or policy form included in the filing.**

I hope that the time and effort expended in the preparation of this Report is evident to the reader. I believe that I have covered the Rate Development process and a description of the data, assumptions, factors, and methods that would enable a qualified health actuary to make an objective appraisal of my opinions and the reasonableness of the premiums and rate changes proposed in the Rate Filing.

Given the acknowledged complexity of the Rate Filing preparation process, I am also agreeable to responding to any questions or concerns that may require clarification.

I trust that Attachment 4 (the Rate Development Process) and the corresponding detailed explanations in Section IV. E. satisfies the requirement that “descriptions must include examples of rate calculations for each contract or policy form included in the filing”.

- (4) A statement of opinion, with respect to each individual or small group rate increase included in the filing, whether the rate increase filed is reasonable or unreasonable and, if unreasonable, that the justification for the increase is based on accurate and sound actuarial assumptions and methodologies, including benefit relativities that reflect the expected variations in cost, taking into consideration historical experience and the credibility of the historical data. Statements of opinion regarding whether a rate increase is reasonable or unreasonable shall discuss the factors listed in Section A, “Unreasonable Rate Increases,” of this Guidance. In addition, statements of opinion regarding individual health insurance shall discuss whether the benefits provided under the policy are reasonable in relation to the premium charged, as described in the California Code.**

Based on the information discussed in Section A above, it is my opinion that each of the rate increases in the Rate Filing is reasonable.

- (5) A description of the testing performed by the actuary to arrive at the statements of opinion in paragraphs (B)(2) and (B)(4) above, including any independent rating models and rating factors utilized.**

My review consisted almost entirely of a thorough review of the detailed information and data files provided to me by Anthem. The areas for which I conducted independent tests were the following:

- (i) **Stability of Risk Adjustment Factors** – As noted in this Report, ActMod requested that Anthem provide us with month-by-month statistics showing the Risk Adjustment Factor (“RAF”) from June 2010 through February 2012. The information provided to ActMod by the Reliance Actuary satisfied me that there are no material fluctuations in the RAF that might require adjustments to one or more factors used by Anthem for the Rate Development process.
- (ii) **Reasonableness of MLR Compliance with ACA** – ActMod prepared Attachment 5(a) from the more detailed Anthem-provided information to compare Anthem’s calendar year 2011 projection for all CDI-regulated Small Group products against actual calendar year 2010 results. We prepared this Attachment 5(a) to review the reasonableness of Anthem’s projected 2011 ACA-defined MLR of 80.7% shown in Attachment 5(c). It is my opinion that Attachment 5(a) [in conjunction with the details presented in Attachments 5(b) and 5(c)] demonstrates the reasonableness of Anthem’s projected 2011 ACA-defined MLR.

ActMod thanks Anthem for the opportunity to prepare this Report and would be pleased to respond to any questions or supplement the Report as may be deemed necessary.

Respectfully submitted,



James P. Galasso, FSA, MAAA, CERA
President & Consulting Actuary
Actuarial Modeling

Attachments

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Jim Galasso is a Fellow in the Society of Actuaries, a Member of the American Academy of Actuaries, and a Chartered Enterprise Risk Analyst. He has over 30 years experience in health care, serving in the capacity of Chief Financial Officer, Chief Actuary, and as an Actuarial Consultant. Prior to incorporating and serving as the President & Actuarial Consultant for Actuarial Modeling, Mr. Galasso served as a Partner with Ernst & Young LLP, managing E&Y's Southeast actuarial healthcare practice.

Mr. Galasso has performed various actuarial services for numerous Commercial Insurance Carriers, Blue Cross Blue Shield Plans, Health Maintenance Organizations, Governmental Entities, Health Care Providers, and Large Employers. Such services include but are not limited to:

- (1) Actuarial & Financial Due Diligence
- (2) Actuarial Reserve Reviews (including IBNR and Premium Deficiency Reserves)
- (3) Actuarial Valuations
- (4) Group Health Employee Benefit Programs
- (5) Pricing Medical Care Benefit Plans
- (6) Reviewing Prescription Drug Programs [including Pharmacy Benefit Managers (PBM)]
- (7) Risk-Based Capital Reviews
- (8) Health plan organization realignments
- (9) Predictive Risk Modeling / Health Risk Adjusters
- (10) Underwriting policy and procedure reviews
- (11) Rate filing preparations and testimony
- (12) Provider contracting and network management
- (13) Risk assessments for Provider Sponsored Organizations
- (14) Merger and Acquisition engagements
- (15) Medicare Supplement Products
- (16) Medicare and Medicaid managed care programs
- (17) Blue Cross and Blue Shield audits and actuarial consulting
- (18) HMO and PSO audits and actuarial consulting
- (19) Behavioral health audits and actuarial consulting
- (20) Expert Witness Testimony
- (21) Serving on Arbitration Panels

Professional Experience

Mr. Galasso has developed a comprehensive package of actuarial and financial reporting tools consisting of, but not limited to, the following:

- (1) An “Incurred But Not Reported” (IBNR) estimation software model
- (2) A medical cost & premium development software model for healthcare companies
- (3) An aggregate and specific stop loss rating software model
- (4) A MediGap pricing software model that accommodates both 1990 and 2010 standard plans
- (5) A large group underwriting software model
- (6) A physician fee evaluation software model
- (7) A hospital reimbursement evaluation software model
- (8) A prescription drug evaluation software model
- (9) A financial projection software model for healthcare companies
- (10) A market segment reporting and trend monitoring software model
- (11) A capital management and risk-based capital analysis software model
- (12) A process for monitoring, pricing, and underwriting groups and group rating parameters

Qualifications

Mr. Galasso maintains his standing as a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and a Chartered Enterprise Risk Analyst by pursuing continuing education credits, frequently speaking at various actuarial conferences, publishing actuarial papers, and developing / presenting to actuaries various actuarial training courses for continuing education credit. Papers written by Mr. Galasso and offered to the actuarial community include:

- (1) Financial Reporting for Health Care Companies
- (2) Incurred But Not Paid (“Reported”) Claim Liabilities (“IBNR”) – The Basics
- (3) Risk-Based Capital - the Basics
- (4) Block Underwriting for Health Care Companies

Seminars and Training

Mr. Galasso attends and/or speaks at various seminars and conferences sponsored by the Society of Actuaries, the Southeastern Actuaries Conference, and other industry conferences.

Education

Mr. Galasso graduated with honors from the State University of New York at Stony Brook with majors in both Theoretical and Applied Mathematics. His post graduate activities included studying for and successfully completing the series of examinations offered by the Society of Actuaries, culminating in Mr. Galasso's obtaining his Fellowship in the Society of Actuaries.

Actuarial Reliance Certification

I, Janet Chiu, am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I meet the American Academy of Actuaries continuing education standards and am qualified to have prepared and/or reviewed the actuarial analysis and data that I provided to Mr. James P. Galasso for his review and certification of the Rate Filing dated April 15, 2011 and prepared by the Anthem Blue Cross Life and Health Insurance Company.

Janet Chiu, FSA, MAAA
Regional Vice President & Actuary I
WellPoint Inc.
April 15, 2011

MEDICAL AND RX TREND DEVELOPMENT

Contract Code	Plan	Medical (Excluding Rx) Trend				Rx Trend				TOTAL TREND
		Medical Deductible	Trend Starting Point	Leveraging	Medical Trend	Rx Deductible	Trend Starting Point	Leveraging	Rx Trend	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
03P7	CALCHOICE PPO \$750	750	6.9%	0.6%	7.6%	150	10.9%	3.0%	14.2%	8.8%
03P8	CALCHOICE PPO -\$1000/ 40 COPAY	1,000	6.9%	0.8%	7.7%	200	10.9%	3.2%	14.5%	8.7%
03P9	CALCHOICE \$3000	3,000	6.9%	1.3%	8.3%	250	10.9%	3.3%	14.6%	9.1%
03PA	CALCHOICE \$4000	4,000	6.9%	1.5%	8.5%	250	10.9%	3.3%	14.6%	9.4%
03PB	CC HSA (CDHP) \$1800-80/50	1,800	7.6%	1.2%	8.9%	N/A	7.6%	1.2%	8.9%	8.9%
03PC	CC HSA (CDHP) \$2500-80/50	2,500	7.6%	1.3%	9.1%	N/A	7.6%	1.3%	9.1%	9.1%
Total PPO			6.9%	0.9%	7.9%		10.9%	3.2%	14.5%	8.8%
Total CDHP			7.6%	1.3%	9.0%		7.6%	1.3%	9.0%	9.0%
Grand Total			7.2%	1.1%	8.4%		9.8%	2.5%	12.6%	8.9%

Anthem Blue Cross of California
CaliforniaChoice Benefit Plans
Experience Period: 6/1/2010 - 12/31/2010
Rating Period: Groups Renewing from July 2011 thru December 2011

RATE DEVELOPMENT STEPS				
Step	Description	PPO	CDHP	Total
EXPERIENCE PERIOD (6/1/2010 - 12/31/2010)				
(1)	Member Months	22,975	17,831	40,806
(2)	⁽¹⁾ Earned Premiums	\$10,001,745	\$6,017,167	\$16,018,912
(3)	Incurred Claims	\$7,765,965	\$5,896,389	\$13,662,354
(4)	Earned Premium PMPM	\$435.33	\$337.46	\$392.56
(5)	⁽²⁾ Earned Prem PMPM (Adj'd for Current Members)	\$434.57	\$338.72	\$392.97
(6)	Benefit Expense PMPM	\$338.02	\$330.68	\$334.81
(7)	⁽³⁾ Benefit Exp PMPM (Adj'd for Current Members)	\$338.08	\$330.90	\$334.97
(8)	Incurred Loss Ratio	77.6%	98.0%	85.3%
(9)	⁽⁴⁾ Incurred Loss Ratio (Adj'd for Current Members)	77.8%	97.7%	85.2%
PROJECTION FACTORS				
(10)	Annual Composite Trend	8.8%	9.0%	
(11)	Number of Trend Months	18.11	18.19	
(12)	Cumulative Trend	113.6%	114.0%	
(13)	Seasonality	1.035	1.138	
(14)	ACA-mandated benefits	1.022	1.020	
(15)	Total Projection Factor	1.202	1.323	1.254
RATING PERIOD (THRU 11/30/2012)				
(16)	Member Months (December 2010 x 12)	72,804	55,824	128,628
(17)	Projected Benefit Expense PMPM	\$406.24	\$437.73	\$419.90
(18)	Drug Rebates	(\$2.25)	(\$2.25)	(\$2.25)
(19)	Medical Management Reclass	\$3.23	\$3.23	\$3.23
(20)	Projected Benefit Exp (w/ Rx Rebates & Med Mgmt)	\$407.22	\$438.71	\$420.88
RATE DEVELOPMENT				
(21)	Target Loss Ratio	86.6%	107.7%	95.1%
(22)	Needed Premium PMPM	\$470.00	\$407.23	\$442.76
(23)	⁽⁵⁾ Premium PMPM with 1/1/2011 Rate Tables	\$455.75	\$377.78	\$421.91
(24)	Proposed Increase over 1/1/2011 Rate Tables	3.1%	7.8%	4.9%
RATING PERIOD MLR's				
(25)	GAAP-defined MLR; see Report for Definition	86.6%	107.7%	95.1%

⁽¹⁾ Earned Prefs are prefs actually received and earned by Anthem excluding service fees retained by CaliforniaChoice Administrator

⁽²⁾ Earned Prefs adjusted for benefit plan movement from experience period to current month (i.e. PMPMs weighted for Member benefit plan enrollment as of December 2010)

⁽³⁾ Benefit Expense adjusted for benefit plan movement from experience period to current month (i.e. PMPMs weighted for Member benefit plan enrollment as of December 2010)

⁽⁴⁾ Loss Ratio adjusted for benefit plan movement from experience period to current month (i.e. Loss Ratio weighted for Member benefit plan enrollment as of December 2010)

⁽⁵⁾ Premium PMPM priced by applying current rate table (1/1/2011) to December 2010 Members

SUMMARY TEST OF REASONABLENESS FOR CY 2011 FORECAST
(ALL CDI-REGULATED SMALL GROUP; INCLUDING CALCHOICE)

COMPARISON OF 2011 FORECAST TO 2010 ACTUAL

	<u>CY 2010</u>	<u>CY 2011</u>	Variance from <u>CY 2010</u>
Average Members	326,033	358,090	9.8%
Premium PMPM	\$300.76	\$328.21	9.1%
Medical Cost PMPM ⁽¹⁾	\$231.30	\$250.69	8.4%
Traditional MLR ⁽²⁾	76.9%	76.4%	(0.7%)

ACA-ADJUSTED FIGURES

	<u>CY 2011</u>
<u>Medical Cost Adjustments</u>	
Rx Rebate PMPM	(\$2.12)
Med Mgmt Reclass Expenses PMPM	\$3.37
ACA-Adjusted Medical Cost PMPM⁽³⁾	\$251.94
<u>Revenue Adjustments</u>	
Premium Tax PMPM	\$7.71
State/Local/Federal Income Tax PMPM	\$8.14
ACA-Adjusted Revenue PMPM⁽⁴⁾	\$312.36
ACA-defined MLR⁽⁵⁾	80.7%

⁽¹⁾ Excludes Rx Rebates and Medical Management Reclassified Expenses

⁽²⁾ Medical Cost divided by Premium

⁽³⁾ Medical Cost PMPM + Rx Rebate PMPM + Med Mgmt Reclass Expenses PMPM

⁽⁴⁾ Premium PMPM - Premium Tax PMPM - State/Local/Federal Income Tax PMPM

(Note: Payroll taxes should also be removed from Revenue but were not for this analysis; this results in a lower ACA-defined MLR than would be the case if payroll taxes were properly reflected)

⁽⁵⁾ ACA-Adjusted Medical Cost PMPM / ACA-Adjusted Revenue PMPM

SMALL GROUP CY2011 FORECAST

Attachment 5(b)

<i>Non-CalChoice CDI</i>	<u>2010 Total</u>	<u>1/1/2011</u>	<u>2/1/2011</u>	<u>3/1/2011</u>	<u>4/1/2011</u>	<u>5/1/2011</u>	<u>6/1/2011</u>
Membership	3,871,588	344,812	348,326	350,235	349,904	354,943	359,081
Premium PMPM	\$299.80	\$311.37	\$314.17	\$317.50	\$323.52	\$325.73	\$329.47
Claim PMPM (Excluding Rx Rebates and Med Mgmt Reclass)	\$230.20	\$174.64	\$186.75	\$229.04	\$220.94	\$233.31	\$249.83
Rx Rebate PMPM		(\$2.10)	(\$2.11)	(\$2.11)	(\$2.12)	(\$2.13)	(\$2.13)
Medical Mgmt PMPM		\$3.38	\$3.38	\$3.38	\$3.38	\$3.38	\$3.38
Total Benefit Expense PMPM		\$175.92	\$188.02	\$230.30	\$222.20	\$234.57	\$251.07
Premium Tax % of Premium		2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Premium Tax PMPM		\$7.32	\$7.38	\$7.46	\$7.60	\$7.65	\$7.74
State, Local, and Federal Income Tax PMPM		\$27.25	\$24.17	\$11.59	\$15.89	\$12.56	\$8.35
ACA-define MLR		63.6%	66.5%	77.2%	74.1%	76.8%	80.1%
Trad'l MLR (excl Rx Rebates & Med Mgmt Reclass)	76.8%	56.1%	59.4%	72.1%	68.3%	71.6%	75.8%
<hr/>							
<i>CalChoice CDI</i>	<u>2010 Total</u>	<u>1/1/2011</u>	<u>2/1/2011</u>	<u>3/1/2011</u>	<u>4/1/2011</u>	<u>5/1/2011</u>	<u>6/1/2011</u>
Membership	40,805	12,162	12,825	13,323	14,139	15,160	14,581
Premium PMPM	\$392.31	\$397.84	\$397.09	\$398.81	\$401.35	\$404.15	\$410.60
Claim PMPM (Excluding Rx Rebates and Med Mgmt Reclass)	\$335.11	\$258.74	\$280.96	\$348.69	\$336.62	\$359.08	\$387.45
Rx Rebate PMPM		(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)
Medical Mgmt PMPM		\$3.23	\$3.23	\$3.23	\$3.23	\$3.23	\$3.23
Total Benefit Expense PMPM		\$259.72	\$281.94	\$349.67	\$337.60	\$360.06	\$388.43
Premium Tax % of Premium		2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Premium Tax PMPM		\$9.35	\$9.33	\$9.37	\$9.43	\$9.50	\$9.65
State, Local, and Federal Income Tax PMPM		\$36.21	\$28.87	\$7.73	\$12.39	\$6.08	(\$0.98)
ACA-define MLR		73.7%	78.6%	91.6%	89.0%	92.7%	96.6%
Trad'l MLR (excl Rx Rebates & Med Mgmt Reclass)	85.4%	65.0%	70.8%	87.4%	83.9%	88.8%	94.4%
<hr/>							
<i>CDI Including CalChoice</i>	<u>2010 Total</u>	<u>1/1/2011</u>	<u>2/1/2011</u>	<u>3/1/2011</u>	<u>4/1/2011</u>	<u>5/1/2011</u>	<u>6/1/2011</u>
Membership	3,912,393	356,974	361,151	363,558	364,043	370,103	373,662
Premium PMPM	\$300.76	\$314.32	\$317.12	\$320.48	\$326.55	\$328.94	\$332.64
Claim PMPM (Excluding Rx Rebates and Med Mgmt Reclass)	\$231.30	\$177.50	\$190.09	\$233.42	\$225.43	\$238.47	\$255.20
Rx Rebate PMPM		(\$2.11)	(\$2.11)	(\$2.12)	(\$2.12)	(\$2.13)	(\$2.14)
Medical Mgmt PMPM		\$3.37	\$3.37	\$3.37	\$3.37	\$3.37	\$3.37
Total Benefit Expense PMPM		\$178.77	\$191.36	\$234.68	\$226.68	\$239.71	\$256.43
Premium Tax % of Premium		2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Premium Tax PMPM		\$7.39	\$7.45	\$7.53	\$7.67	\$7.73	\$7.82
State, Local, and Federal Income Tax PMPM		\$27.56	\$24.34	\$11.45	\$15.76	\$12.30	\$7.98
ACA-define MLR		64.0%	67.1%	77.8%	74.8%	77.6%	80.9%
Trad'l MLR (excl Rx Rebates & Med Mgmt Reclass)	76.9%	56.5%	59.9%	72.8%	69.0%	72.5%	76.7%

SMALL GROUP CY2011 FORECAST

Attachment 5(c)

<i>Non-CalChoice CDI</i>	<u>7/1/2011</u>	<u>8/1/2011</u>	<u>9/1/2011</u>	<u>10/1/2011</u>	<u>11/1/2011</u>	<u>12/1/2011</u>	<u>Total</u>
Membership	352,310	347,193	341,714	335,088	329,568	324,978	4,138,152
Premium PMPM	\$329.84	\$329.93	\$330.47	\$330.28	\$329.99	\$329.61	\$325.11
Claim PMPM (Excluding Rx Rebates and Med Mgmt Reclass)	\$262.18	\$263.46	\$266.46	\$271.90	\$286.50	\$307.96	\$245.48
Rx Rebate PMPM	(\$2.13)	(\$2.12)	(\$2.12)	(\$2.11)	(\$2.10)	(\$2.10)	(\$2.11)
Medical Mgmt PMPM	\$3.38	\$3.38	\$3.38	\$3.38	\$3.38	\$3.38	\$3.38
Total Benefit Expense PMPM	\$263.43	\$264.72	\$267.72	\$273.17	\$287.78	\$309.24	\$246.74
Premium Tax % of Premium	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Premium Tax PMPM	\$7.75	\$7.75	\$7.77	\$7.76	\$7.75	\$7.75	\$7.64
State, Local, and Federal Income Tax PMPM	\$4.50	\$4.11	\$3.30	\$1.51	(\$3.25)	(\$10.23)	\$8.49
ACA-define MLR	82.9%	83.2%	83.8%	85.1%	88.4%	93.1%	79.9%
Trad'l MLR (excl Rx Rebates & Med Mgmt Reclass)	79.5%	79.9%	80.6%	82.3%	86.8%	93.4%	75.5%
<hr/>							
<i>CalChoice CDI</i>	<u>7/1/2011</u>	<u>8/1/2011</u>	<u>9/1/2011</u>	<u>10/1/2011</u>	<u>11/1/2011</u>	<u>12/1/2011</u>	<u>Total</u>
Membership	14,077	13,679	13,195	12,518	12,105	11,166	158,930
Premium PMPM	\$411.06	\$413.42	\$414.94	\$415.96	\$419.01	\$427.24	\$408.98
Claim PMPM (Excluding Rx Rebates and Med Mgmt Reclass)	\$413.84	\$415.46	\$426.55	\$443.04	\$474.00	\$514.45	\$386.42
Rx Rebate PMPM	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.25)
Medical Mgmt PMPM	\$3.23	\$3.23	\$3.23	\$3.23	\$3.23	\$3.23	\$3.23
Total Benefit Expense PMPM	\$414.82	\$416.44	\$427.53	\$444.02	\$474.98	\$515.43	\$387.40
Premium Tax % of Premium	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Premium Tax PMPM	\$9.66	\$9.72	\$9.75	\$9.77	\$9.85	\$10.04	\$9.61
State, Local, and Federal Income Tax PMPM	(\$9.29)	(\$9.07)	(\$12.14)	(\$17.10)	(\$26.05)	(\$36.42)	(\$1.16)
ACA-define MLR	101.0%	100.9%	102.4%	104.9%	109.1%	113.6%	96.7%
Trad'l MLR (excl Rx Rebates & Med Mgmt Reclass)	100.7%	100.5%	102.8%	106.5%	113.1%	120.4%	94.5%
<hr/>							
<i>CDI Including CalChoice</i>	<u>7/1/2011</u>	<u>8/1/2011</u>	<u>9/1/2011</u>	<u>10/1/2011</u>	<u>11/1/2011</u>	<u>12/1/2011</u>	<u>Total</u>
Membership	366,387	360,872	354,909	347,606	341,673	336,144	4,297,081
Premium PMPM	\$332.96	\$333.10	\$333.62	\$333.37	\$333.15	\$332.86	\$328.21
Claim PMPM (Excluding Rx Rebates and Med Mgmt Reclass)	\$268.01	\$269.22	\$272.41	\$278.06	\$293.14	\$314.82	\$250.69
Rx Rebate PMPM	(\$2.13)	(\$2.13)	(\$2.12)	(\$2.11)	(\$2.11)	(\$2.10)	(\$2.12)
Medical Mgmt PMPM	\$3.37	\$3.37	\$3.37	\$3.37	\$3.37	\$3.38	\$3.37
Total Benefit Expense PMPM	\$269.25	\$270.47	\$273.66	\$279.32	\$294.41	\$316.09	\$251.94
Premium Tax % of Premium	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Premium Tax PMPM	\$7.82	\$7.83	\$7.84	\$7.83	\$7.83	\$7.82	\$7.71
State, Local, and Federal Income Tax PMPM	\$3.97	\$3.61	\$2.73	\$0.84	(\$4.06)	(\$11.10)	\$8.14
ACA-define MLR	83.8%	84.1%	84.7%	86.0%	89.4%	94.0%	80.7%
Trad'l MLR (excl Rx Rebates & Med Mgmt Reclass)	80.5%	80.8%	81.7%	83.4%	88.0%	94.6%	76.4%

Anthem Blue Cross Life & Health Insurance Company
Individual Business Return on Equity

(\$ in millions)

	AS Ref	2008 Actual	2009 Actual	2010 Actual	2011 Forecast
Total Company					
Statutory Net Income	IS L32	194.5	170.5	205.9	183.5
Statutory Capital & Surplus	BS L31	760.1	813.8	973.8	1,082.9
		25.6%	21.0%	21.1%	16.9%

Notes

- 1) 2008 - 2010 Statutory amounts from indicated exhibit/schedule in Statutory annual statement.
- 2) 2011 total company statutory amounts from projections provided to CA CDI on October 20, 2010



ANNUAL STATEMENT FOR THE YEAR 2010 OF THE Anthem Blue Cross Life and Health Insurance Company

SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended December 31, 2010

(To be filed by March 1)

PART 1 - INTERROGATORIES

1. The reporting insurer is a member of a group of insurers or other holding company system: Yes ☒ No ☐ If yes, do the amounts below represent 1) total gross compensation paid to each individual by or on behalf of all companies which are part of the group: Yes ☒; or 2) allocation to each insurer: Yes ☐
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes ☐ No ☒
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond the period of 12 months from the date of the agreement? Yes ☐ No ☒

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION					
1 Name and Principal Position	2 Year	3 Annual Compensation			
		3 Salary	4 Bonus	5 All Other Compensation	6 Totals
Pamela D. Kehaly (1) (2)	2010				
Chief Executive Officer	2009				
.....	2008				
1. R. David Kretschmer	2010				
Treasurer	2009				
.....	2008				
2. Nicholas L. Brecker, III	2010				
President	2009				
.....	2008				
3. Kathleen S. Kiefer	2010				
Secretary	2009				
.....	2008				
4. G. Lewis Chartrand	2010				
Assistant Secretary	2009				
.....	2008				
5. Cassie S. Kam (3)	2010				
Chief Financial Officer	2009				
.....	2008				
6. (4)	2010				0
.....	2009				0
.....	2008				0
7.	2010				0
.....	2009				0
.....	2008				0
8.	2010				0
.....	2009				0
.....	2008				0
9.	2010				0
.....	2009				0
.....	2008				0

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation	2 Compensation Paid or Deferred for Services as Director	3 All Other Compensation Paid or Deferred	4 Totals
(5)			0
.....			
.....			

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE Anthem Blue Cross Life and Health Insurance Company

The reporting insurer is a member of a group of insurers or other holding company system. The above amounts represent compensation paid to each individual by or on behalf of all companies which are part of the group. The total compensation (column 6) is the amount reported in the year-end W2 gross taxable wages.

- 1 Amounts earned in All Other Compensation (column 5) may include payouts earned under multi-year long term incentive plans, sales incentives, and the exercise of stock options granted in prior years.
- 2 Pamela D. Kehaly was hired and became Chief Executive Officer on August 30, 2010.
- 3 Cassie S. Kam became Chief Financial Officer on October, 25, 2010
- 4 There are no employees dedicated to Anthem Blue Cross Life and Health Insurance Company. Data has been reported for officers only.
- 5 Inside (i.e., employee) directors are not compensated for serving on the Board of Directors.

Unadjusted Medical Care CPI for All Urban Consumers

Source: Bureau of Labor Statistics; <http://www.bls.gov/cpi/#tables>

Rolling 12-mth Trends at End of Year

End of Year	Rolling 12-month CPI Trend
1981	10.8%
1982	11.6%
1983	8.7%
1984	6.2%
1985	6.2%
1986	7.5%
1987	6.6%
1988	6.5%
1989	7.7%
1990	9.1%
1991	8.7%
1992	7.4%
1993	6.0%
1994	4.8%
1995	4.5%
1996	3.5%
1997	2.8%
1998	3.2%
1999	3.5%
2000	4.1%
2001	4.6%
2002	4.7%
2003	4.0%
2004	4.4%
2005	4.2%
2006	4.0%
2007	4.4%
2008	3.7%
2009	3.2%
2010	3.4%

From: Bureau of Labor Statistics Website:

<http://www.bls.gov/cpi/cpifact4.htm>

For the medical care categories the CE collects information on household out-of-pocket expenses. These may include data such as healthcare services received, who received it, the amount of payment made, and insurance reimbursements received. Medical care expenditures eligible for the CPI include out-of-pocket expenses paid by the consumer. These include fees (not recouped through health insurance) that consumers paid directly to retail outlets for medical goods and to doctors and other medical providers for medical services, as well as health insurance premiums that consumers paid (including Medicare Part B). To arrive at the consumer out-of-pocket medical expense, the CE nets out direct insurance reimbursements to the consumer from the total amounts paid by the consumer.

Since medical care only includes consumers' out-of-pocket expenditures (and excludes employer provided health care), its share in the CPI is smaller than its share of gross domestic product (GDP) and other national accounts measures.

Note: CE = Consumer Expenditure Survey

DEPARTMENT OF INSURANCE**Legal Division**

45 Fremont Street, 24th Floor
San Francisco CA 94105

**Guidance 1163: 2**

Draft release date: February 3, 2011

Final release date: _____

Pursuant to Senate Bill 1163 (Chapter 661, Statutes 2010), the California Department of Insurance issues the following guidance regarding compliance.¹ Further guidance may be forthcoming in the future.

Section A: Unreasonable Rate Increases

For all health insurance filings, for the purpose of the actuarial certification required under Insurance Code section 10181.6(b)(2) and review under Insurance Code section 10181.11, as well as for the filing of large group health insurance rates under section 10181.4, the factors the Department will consider in determining whether a rate increase is “unreasonable” include, but are not limited to, the following:

- 1) The relationship of the projected aggregate medical loss ratio to the federal medical loss ratio standard in the market segment to which the rate applies, after accounting for any adjustments allowable under federal law. See interim final rule entitled “Health Insurance Issuers Implementing Medical Loss Ratio Requirements Under the Patient Protection and Affordable Care Act,” (45 C.F.R. sections 158.101- 158.232, 75 Fed. Reg. 74921-74928, (December 1, 2010)), incorporated herein by reference.
- 2) Whether the assumptions on which the rate increase is based are supported by substantial evidence.

¹ Senate Bill 1163 provides, at Insurance Code section 10181.2, that Article 4.5 (Insurance Code section 10181 *et seq.*) does not

apply to a specialized health insurance policy; a Medicare supplement policy subject to Article 6 (commencing with Section 10192.05); a health insurance policy offered in the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code); a health insurance policy offered in the Healthy Families Program (Part 6.2 (commencing with Section 12693)), the Access for Infants and Mothers Program (Part 6.3 (commencing with Section 12695)), the California Major Risk Medical Insurance Program (Part 6.5 (commencing with Section 12700)), or the Federal Temporary High Risk Pool (Part 6.6 (commencing with Section 12739.5)); a health insurance conversion policy offered pursuant to Section 12682.1; or a health insurance policy offered to a federally eligible defined individual under Chapter 9.5 (commencing with Section 10900).

Accordingly, the above guidance does not apply to the types of insurance listed in Insurance Code section 10181.2.

- 3) Whether the choice of assumptions or combination of assumptions on which the rate increase is based is reasonable.
- 4) Whether the data or documentation provided to the Department in connection with the filed rate increase is incomplete, inadequate or otherwise does not provide a basis upon which the reasonableness of the rate may be determined.
- 5) Whether the filed rates result in premium differences between insureds within similar risk categories that:
 - (A) Are otherwise not permissible under applicable California law; or
 - (B) Do not reasonably correspond to differences in expected costs.
- 6) Whether the specific, itemized changes that led to the requested rate increase are substantially justified by credible experience data.
- 7) The company's rate of return, evaluated on a return-on-equity basis, for the prior three years, and anticipated rate of return for the following year, taking into account investment income.
- 8) The insurer's employee and executive compensation.
- 9) The degree to which the increase exceeds the rate of medical cost inflation as reported by the U.S. Bureau of Labor Statistics Consumer Price Index for All Urban Consumers Medical Care Cost Inflation Index.
- 10) For individual policies, whether the proposed rates comply with California Code of Regulations Title 10, section 2222.12.

Section B: Filing and Notice

- 11) For individual and small group health insurance policies, rate submissions for new products and rate increases for existing products must be filed at least 60 days prior to implementation. (Insurance Code section 10181.3(a), (b)(14).)
- 12) The filing requirements of Senate Bill 1163 (Insurance Code sections 10181.3, 10181.4, 10181.6, 10181.7) apply to new product rates and rate increases implemented on or after January 1, 2011. With respect to rate filings submitted to the department prior to January 1, 2011 that include rate changes which will be implemented as to any insureds after January 1, 2011, the insurer must provide the 60-day notice described in Insurance Code section 10113.9 or 10199.1 for those changes.
- 13) The consumer notice required by Insurance Code section 10113.9 or 10199.1 must be delivered concurrently with the submission of the rate filing to the department. The notice required by section 10113.9 must include the date on which the proposed rate increase will be applied to the individual(s) to whom the notice is addressed. If a rate filing is revised after its initial submission so as to change the rates, an additional 60-day notice meeting

the requirements of Insurance Code sections 10113.9 or 10199.1 must be provided reflecting the revised rate.

Section C: Actuarial Certification

- 14) (A) The certification required under Insurance Code section 10181.6 (b)(2) is a “Statement of Actuarial Opinion,” as defined in the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, promulgated by the American Academy of Actuaries. Such a certification is also a “Health Filing,” as defined in Actuarial Standard of Practice No. 8 promulgated by the Actuarial Standards Board, and it is also an “Actuarial Communication,” as defined in Actuarial Standard of Practice No. 41 promulgated by the Actuarial Standards Board.
- (B) The certification required under Insurance Code section 10181.6 (b)(2) must include the following information:
- (1) A statement of the qualifications of the actuary issuing the certification. The actuary’s qualifications must meet the standards stated in *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*. The statement of qualifications must include a statement that the actuary meets the independence requirements stated in Insurance Code section 10181.6 (b)(3).
 - (2) A statement of opinion that the proposed premium rates in the filing are actuarially sound in aggregate. Premium rates are actuarially sound if, for business in California and for the period covered by the certification, the total of projected premium income, expected reinsurance cash flows, governmental risk adjustment cash flows, and investment income is adequate to provide for all expected costs, including health benefits, health benefit settlement expenses, marketing and administrative expenses, and the cost of required capital.
 - (3) For each contract or insurance policy included in the filing, a complete description of the data, assumptions, rating factors, and methods used to determine the premium rates, with sufficient clarity and detail that another qualified health actuary can make an objective appraisal of the reasonableness of the data, assumptions, factors, and methods. The descriptions must include examples of rate calculations for each contract or policy form included in the filing.
 - (4) A statement of opinion, with respect to each individual or small group rate increase included in the filing, whether the rate increase filed is reasonable or unreasonable and, if unreasonable, that the justification for the increase is based on accurate and sound actuarial assumptions and methodologies, including benefit relativities that reflect the expected variations in cost, taking into consideration historical experience and the credibility of the historical data. Statements of opinion regarding whether a rate increase is reasonable or unreasonable shall discuss the factors listed in Section A, “Unreasonable Rate Increases,” of this Guidance. In addition, statements of opinion regarding individual health insurance shall discuss whether the benefits

provided under the policy are reasonable in relation to the premium charged, as described in California Code of Regulations title 10, chapter 5, section 2222.10, *et seq.*

- (5) A description of the testing performed by the actuary to arrive at the statements of opinion in paragraphs (B)(2) and (B)(4) above, including any independent rating models and rating factors utilized.

(C) All of the information required in (B), above, must be contained within the actuarial certification. A separate actuarial memorandum should not be submitted.

Section D: Filing Requirements

- 15) Individual and small group health insurance rate filings must be accompanied by the “California Rate Filing Form” that discloses the information required by Insurance Code section 10181.3(b), submitted as a PDF document under the “Supporting Documentation” tab in SERFF. See “California Rate Filing Form” on the Department’s website (<http://www.insurance.ca.gov/0250-insurers/0500-legal-info/0200-regulations/HealthGuidance/index.cfm>) for definitions of certain of the items required.
- 16) All health insurance rate filings must be accompanied by the “California Plain-Language Rate Filing Description”, submitted as a PDF document under the “Supporting Documentation” tab in SERFF (Insurance Code section 10181.7(d)). See “California Plain-Language Rate Filing Description” on the Department’s website (<http://www.insurance.ca.gov/0250-insurers/0500-legal-info/0200-regulations/HealthGuidance/index.cfm>) for the form and format of the items required.
- 17) The aggregate rate filing data report required by Insurance Code section 10181.3(c) need not be submitted with each separate rate filing but must be filed with the Department at least quarterly (no later than 5 calendar days after the end of the calendar quarter). Each such report must summarize the required data for the calendar quarter, as well as for the calendar year to date. The report should be identified in SERFF by placing “Aggregate Rate Filing Date Report” in the “Filing Description” field under the “General Information” tab. A form for this report will be provided in subsequent guidance. The terms “Segment Type”, “Product Type”, and “average rate increase” will be defined as they are in the attached “California Rate Filing Form” for items 5, 4, and 13 respectively.

For questions, please contact Bruce Hinze at bruce.hinze@insurance.ca.gov. Please submit comments regarding this draft guidance to: guidancecomments@insurance.ca.gov.

#632223v16

Anthem Blue Cross Life and Health Insurance Company
Actuarial Memorandum
Small Group CaliforniaChoice PPO/HSA Rates Effective July 1, 2011

The purpose of this filing is to communicate with the Department of Insurance the July 2011 changes to our rate tables.

Currently, Anthem reviews and files semi-annually as necessary for its Small Group CaliforniaChoice business. The semi-annual increase for the benefit plans impacted by this rate filing are for the 2nd half of calendar year 2011 (i.e. new business written or existing business renewed from July 1 through December 31, 2011). The rates proposed for this semi-annual filing are, on average, 4.9% higher than the corresponding rates on file for January 1, 2011 through June 30, 2011.

The CaliforniaChoice Program is a “marketing cooperative” or “exchange” authorized by the Department of Corporations in 1995 that offers a choice of plans, both full-service and specialized, to employers and employees in both the small group market and in the medium-size group market. Anthem Blue Cross Life and Health Insurance Company (“Anthem” or “Plan”) notes that the rate for a particular employer group is determined by CaliforniaChoice Benefit Administrators (“CaliforniaChoice”) based on the plans chosen by a particular employer group. To clarify, these plans may consist of only Anthem plans, or a combination of an Anthem plan(s) and other carrier plans.

The following is a list of plans affected by this filing:

1. Policy Form Numbers and Names

PPO \$750 (03P7)

PPO \$1000 (03P8)

PPO \$3000 (03P9)

PPO \$4000 (03PA)

HSA \$1800 (80/50) (03PB)

HSA \$2500 (80/50) (03PC)

2. Description of Benefits Provided

See Appendix for description of the benefits currently provided.

The 3rd quarter renewing groups will receive PPACA mandated benefits upon their renewals for the first time. The 4th quarter renewing groups received PPACA mandated benefits upon their renewals in 2010. See section 4.

There are no other benefit changes effective July 1, 2011.

3. Filed Rate Changes

The rate change effective July 1, 2011 will be an average rate increase of 4.9% from the previously filed rates.

The average rate increase by product is as follows:

Product	Dec-2010 Members	Effective 7/1/2011 Average Rate Change From Previously Filed Rate	Effective Date of Previously Filed Rate	* Expected Annual Rate Change to be Experienced at Renewal
PPO \$750	636	3.0%	1/1/2011	9.2%
PPO \$1000	3,029	4.0%	1/1/2011	10.2%
PPO \$3000	1,768	2.0%	1/1/2011	-3.1%
PPO \$4000	634	0.0%	1/1/2011	-9.0%
HSA \$1800 (80/50)	1,310	7.8%	1/1/2011	16.4%
HSA \$2500 (80/50)	3,342	7.8%	1/1/2011	14.8%
Total PPO / HSA	10,719	4.9%		8.8%

* Note: The increases include the effects of the additional PPACA benefits.

The approximately 8,500 members renewing between July 1 and December 31, 2011 will receive the July 2011 rate change on their anniversaries when they occur between July and December in combination with the January 2011 rate changes. Therefore, the average rate increase that CaliforniaChoice PPO/HSA members renewing in the third and fourth quarters can expect to receive will be 8.8% (based on the December 2010 census) as shown in the above chart.

Consistent with California statutes actual subscriber rates may vary within the permissible Risk Adjustment Factor corridor of between 0.90 and 1.10 of the filed rates.

Written notice of the change in premium rates will be provided at least 60 days in advance of the effective date of the premium rate change for a particular renewing group. CaliforniaChoice intends to mail notices to groups renewing in July, 2011 and impacted by this rate filing on or about April 22, 2011.

4. Effects of Health Care Reform

All California*Choice* plans are Non-Grandfathered policies. Policies that are sold on or after 3/23/2010 are considered Non-Grandfathered (NGF) policies.

There are no Grandfathered policies for the California*Choice* portfolio as no plans in this portfolio were sold prior to 3/23/2010.

We anticipate the following effects of Federal Healthcare Reform on the policies which previously had not received the benefits:

- a) Prohibition of lifetime dollar limit. We removed the \$5 million lifetime benefit limit.
- b) Expansion of dependent age coverage up to age 26. We increased the qualified dependents to age 26 regardless of student status.
- c) Removal of member cost share on preventive health services.
- d) Essential health benefit changes, which are the combined effects of the removal of annual limit on durable medical equipment (DME) as well as smoking cessation.

See table below for expected impact on claims.

- e) Prohibition of pre-existing exclusions for children. The claims impact for this change is considered to be negligible for the purpose of this filing.

Product	Total Impact
PPO \$750	2.2%
PPO \$1000	2.2%
PPO \$3000	2.2%
PPO \$4000	2.2%
HSA \$1800 (80/50)	2.0%
HSA \$2500 (80/50)	2.0%
Total PPO / HSA	2.1%

5. Premium Rate Structure

Premium rates vary by attained age of the subscriber, contract type, region, and group specific risk adjustment factor (RAF). The contract types are Single, Subscriber and Spouse, Subscriber and Child(ren), Subscriber and Family.

Due to the particular feature of the CaliforniaChoice Small Group Program, CaliforniaChoice is the entity that applies the risk adjustment factor and sets the risk adjusted employee risk rate for a particular employer group. To the best of Anthem's knowledge, this risk adjustment factor is not less than 0.9 and no more than 1.10.

There is a 12-month rate guarantee at initial sale for all plans.

While Anthem maintains the contractual right to vary rates more frequently than annually beyond the initial 12-month rate guarantee period, subscribers will generally receive rate changes on their assigned renewal month.

The assumed percentage member distribution of renewal months is:

Month	PPO \$750	PPO \$1000	PPO \$3000	PPO \$4000	HSA \$1800	HSA \$2500	PPO/HSA Total
July	5.6%	7.5%	6.6%	9.3%	8.1%	7.4%	7.4%
August	28.6%	9.9%	9.0%	11.7%	7.9%	7.9%	10.1%
September	8.7%	9.4%	10.3%	12.3%	7.6%	8.2%	9.1%
October	7.5%	11.8%	12.5%	9.9%	10.3%	7.6%	10.2%
November	11.2%	14.3%	11.8%	13.2%	8.1%	13.9%	12.8%
December	24.2%	27.3%	30.8%	25.2%	38.9%	26.8%	28.8%
January	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
February	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
March	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
April	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
May	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
June	14.3%	20.0%	19.0%	18.3%	19.3%	28.2%	21.6%

This renewal month distribution assumes that subscribers' renewal dates will occur on their anniversary date. (Note: Each percentage in the chart has been rounded to the nearest 0.1%, so not all columns will add up to exactly 100%)

6. Projected Trend

Below are the trends used in pricing without any further adjustments other than for benefit plan changes.

The projected annual trend for PPO/HSA plans in aggregate is 8.9%, ranging between 8.7% and 9.4%.

7. Certification

I, Janet Chiu, am an actuary for Anthem Blue Cross Life and Health Insurance Company and a member of the American Academy of Actuaries. I meet the qualification standards of the American Academy of Actuaries for rate filings of health plans. I have prepared this actuarial memorandum to be consistent with Actuarial Standard of Practice Number 8 as adopted by the Actuarial Standards Board. I certify that, to the best of my knowledge, this filing is in compliance with the laws and regulations of the State of California with regard to development of premium rates.

Janet Chiu, F.S.A., M.A.A.A.
RVP & Actuary I
Anthem Blue Cross Life and Health Insurance Company
April 15, 2011

A handwritten signature in black ink, appearing to read "Janet Chiu", followed by a long horizontal line extending to the right.

Appendix - Description of Benefits Provided

Below are the benefits currently provided. See section 4 above for anticipated changes to these benefits.

CaliforniaChoice PPO

Comprehensive major medical benefits are provided for inpatient and outpatient hospital and physician services. The deductible, coinsurance, and out-of-pocket maximum are listed in the table below.

Plan Description	Deductible	In-Network/Out-of-Network Coinsurance	In-Network / Out-of-Network Out-of-Pocket Maximum (including deductible)	Prescription Rx
PPO \$750	\$750 per member, \$2,250 per family	80% / 50% of negotiated fee	\$3,750 per member, \$7,500 per family / \$10,000 Stop Loss *	See Below
PPO \$1000	\$1,000 per member, \$3,000 per family	70% / 50% of negotiated fee	\$4,500 per member, \$9,000 per family / \$10,000 Stop Loss *	See Below
PPO \$3000	\$3,000 per member, \$9,000 per family	70% / 50% of negotiated fee	\$7,000 per member, \$14,000 per family / \$10,000 Stop Loss *	See Below
PPO \$4000	\$4,000 per member, \$10,000 per family	60% / 50% of negotiated fee	\$7,000 per member, \$14,000 per family / \$10,000 Stop Loss *	See Below

Note: Coinsurance shown is the percent paid by ABCL&H.

*Once Anthem Blue Cross payments reach \$10,000 per insured, the insured pays nothing for covered expenses for the remainder of the year.

Prescription Drug Benefits:

The member pays a \$15 copay per generic prescription.

For brand name drugs on the formulary, PPO \$750 members pay a \$30 copay after a \$150 deductible if a generic equivalent is not available.

For brand name drugs on the formulary, PPO \$1000 members pay a \$30 copay after a \$200 deductible if a generic equivalent is not available.

For brand name drugs on the formulary, PPO \$3000 members and PPO \$4000 members pay a \$30 copay after a \$250 deductible if a generic equivalent is not available.

For brand name drugs that are not on the formulary, PPO members (regardless of their specific medical deductible) pay a \$50 copay after the brand name deductible if a generic equivalent is not available.

For self-administered injectable drugs except insulin, the member pays 30% of the Negotiated Fee up to a maximum of \$100.

CaliforniaChoice HSA

Comprehensive major medical benefits are provided for inpatient and outpatient hospital and physician services. The deductible, coinsurance, and out-of-pocket maximum are listed in the table below.

Plan Description	Deductible (medical and pharmacy combined)	In-Network/Out-of-Network Coinsurance	In-Network / Out-of-Network Out-of-Pocket Maximum (including deductible)	Prescription Rx
HSA \$1800 (80/50)	\$1,800 for single, \$3,600 for family	80% / 50% of negotiated fee	\$3,000 single, \$5,500 family / \$3,000 single, \$5,500 family	See Below
HSA \$2500 (80/50)	\$2,500 for single, \$5,000 for family	80% / 50% of negotiated fee	\$4,000 single, \$6000 family / \$4,000 single, \$6,000 family	See Below

Note: Coinsurance shown is the percent paid by ABCL&H.

After the deductible is satisfied, the member pays the following copay:

For generic prescription, member pays a \$15 copay per generic prescription.

For brand name drugs on the formulary, member pays a \$30 copay after the integrated medical and pharmacy deductible if a generic equivalent is not available.

For brand name drugs that are not on the formulary, member pays a \$50 copay after the integrated medical and pharmacy deductible if a generic equivalent is not available.

For self-administered injectable drugs except insulin, the member pays 30% of the Negotiated Fee.